

WEBBS SILVER DEPOSIT



New England Fold Belt, NE NSW
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Wines & Mines 2010 Mudgee, NSW



Disclaimer

This presentation contains forward looking statements that are subject to risk factors associated with mineral exploration. The information contained in this presentation is based on interpretations made by SVL's qualified professional technical staff and should be considered interpretive in nature. Further data collected in the future may alter the interpretations discussed here and thus the conclusions made may change.

Estimates relating to potential targets, including tonnage and grade, are conceptual in nature and there has been insufficient exploration to define a Mineral Resource as defined by the JORC Code and that it is uncertain if further exploration will result in the determination of a Mineral Resource.

The information *in this presentation that relates to Exploration Results has been compiled by David Hobby* consulting geologist and Exploration Manager who is a Member of The Australasian Institute of Mining and Metallurgy.

Mr Hobby has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Hobby consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

OVERVIEW

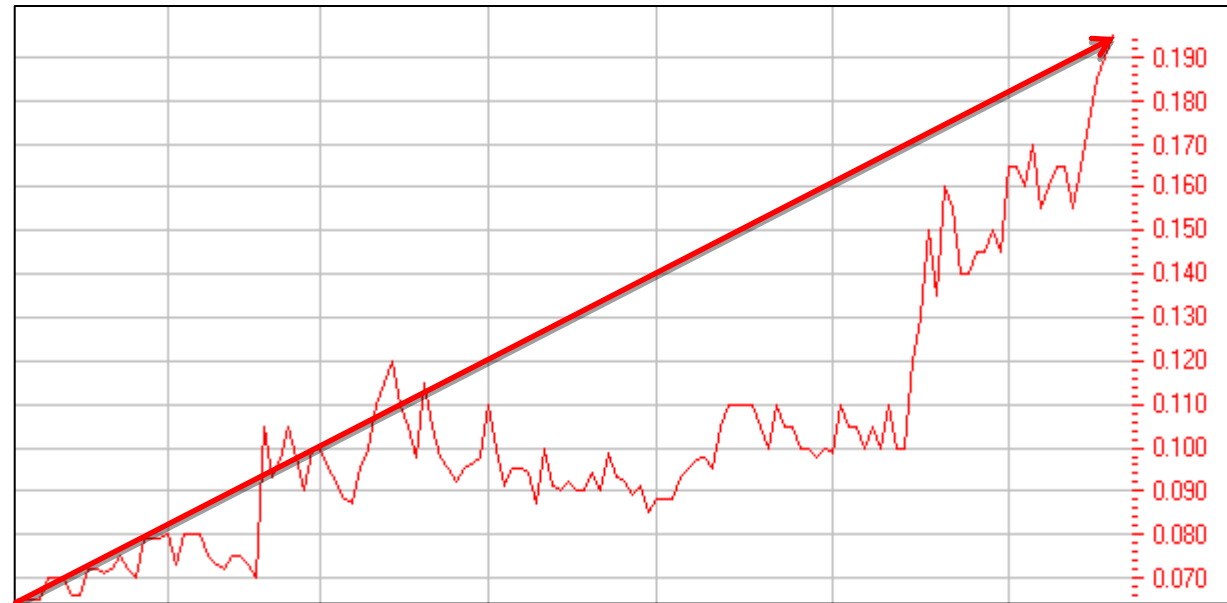
- The Company
- The Market
- Webb's Project
 - Location
 - History
 - Geology
 - Genesis
- The Future
- Questions?



THE COMPANY

- **Silver Mines Limited** (ASX:SVL, PLUS:SVLP)
- ASX listing in December 2007
- A **silver focused** Australian explorer
- Experienced management
- Socially and environmentally committed
- Delivering results with successful exploration programs
- Assessing development potential at Webb's

SVL: Six month share price



Source: ASX

- 94.2 million shares
- investors seeking opportunities and funding becoming more available
- Precious metals looking good

THE MARKET

5yr Silver \$AU

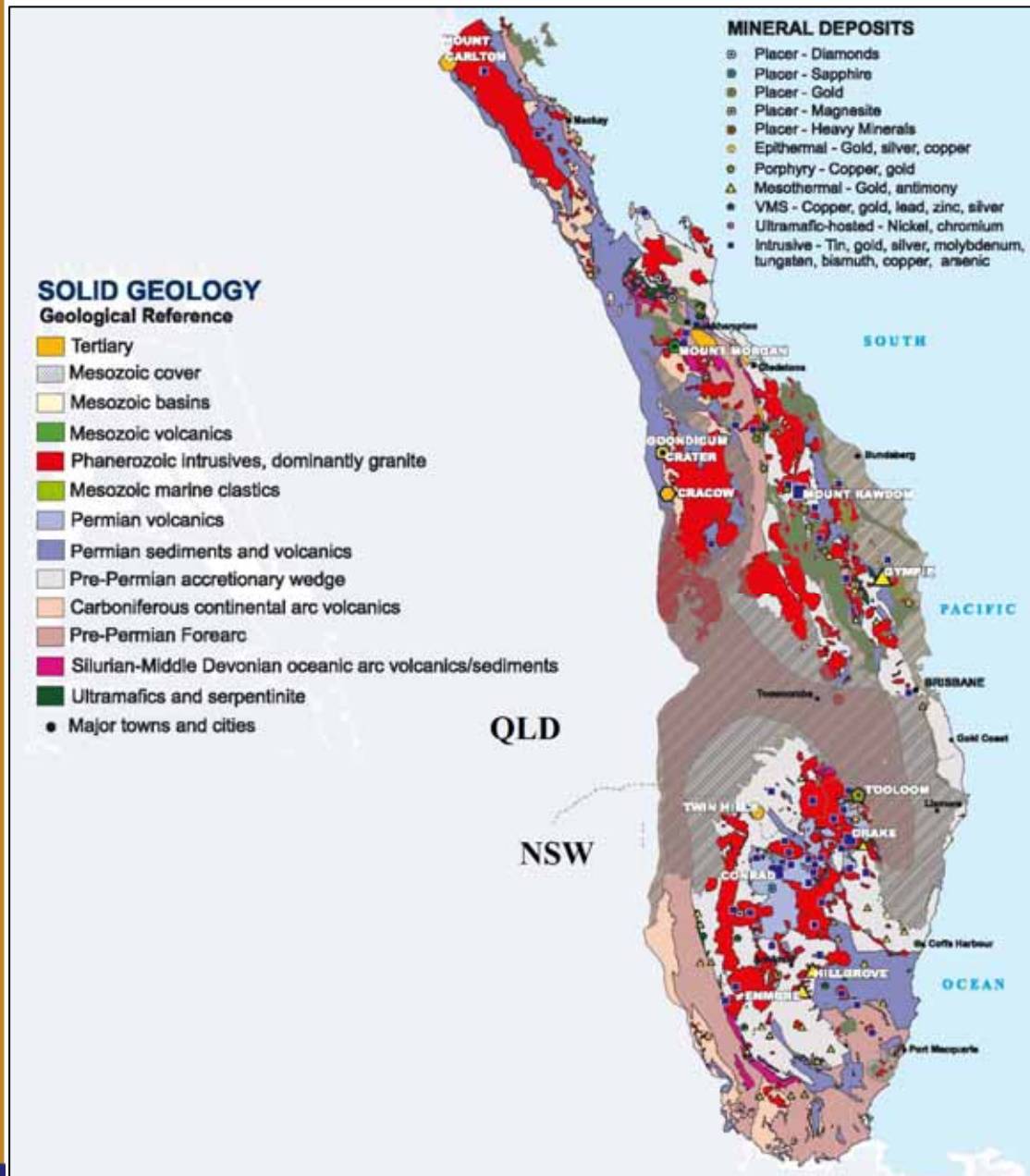


- Silver price continues steady increase
- SVL provides entry for investors seeking exposure to silver

WEBB'S PROJECT

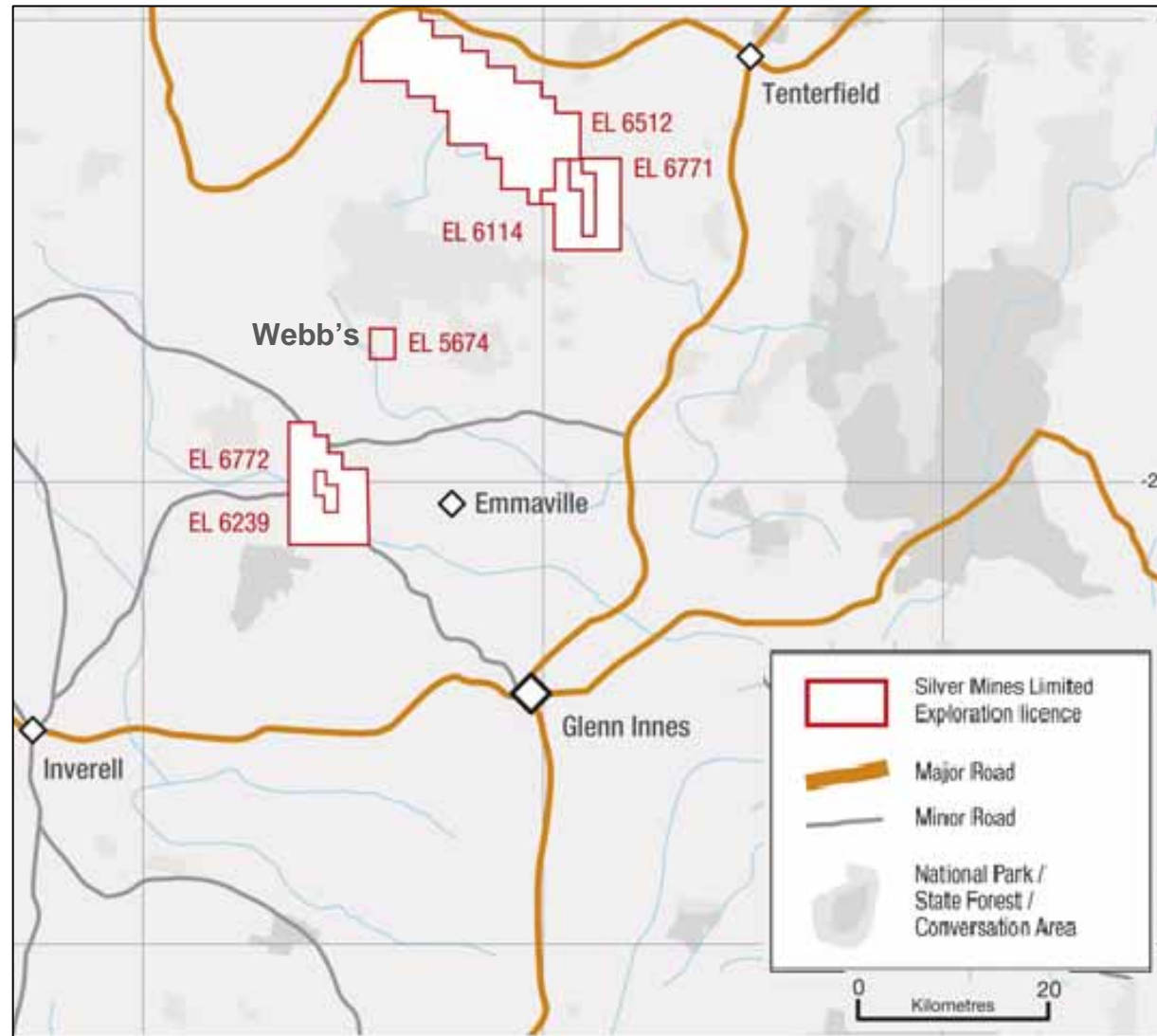
- New England region
- 570km² of prospective ground
- Underexplored for Webb's styles
- A number of high priority targets, some drill ready
- Webb's Silver Project continues to deliver excellent results
- Webb's offers development potential

New England Orogen



Source: NSW DPI

New England tenements



HISTORY

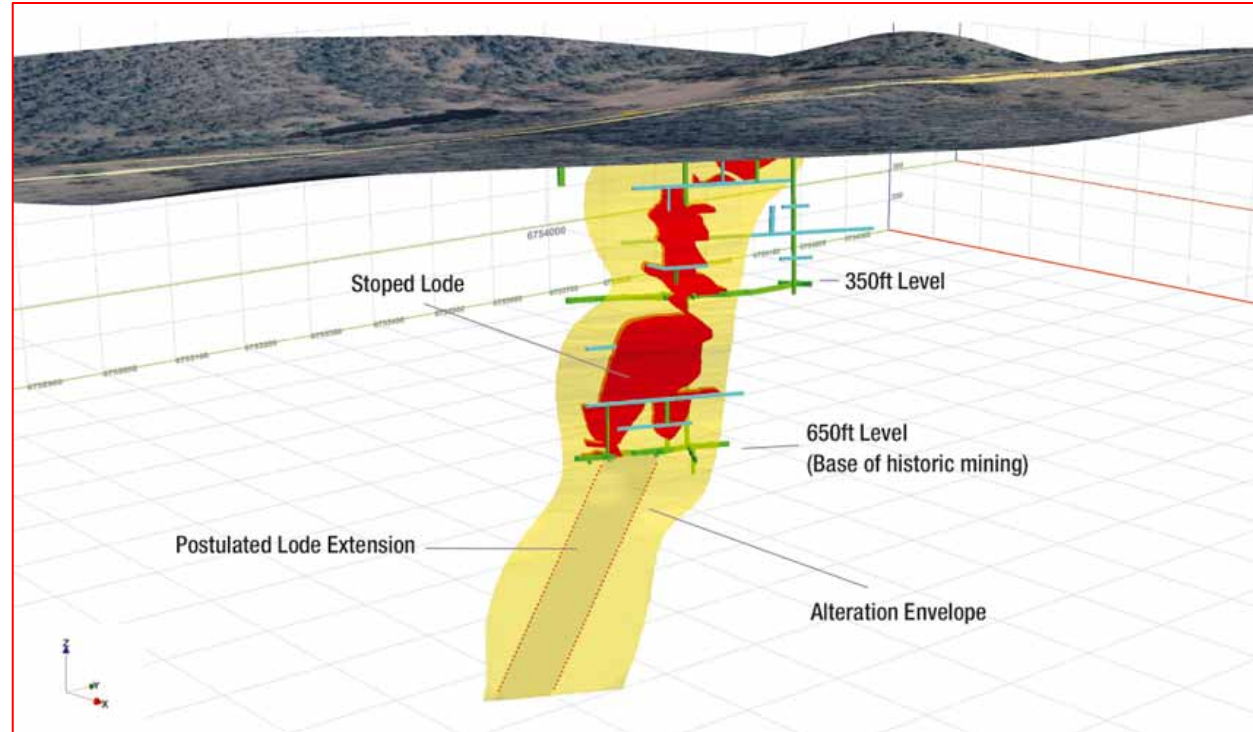
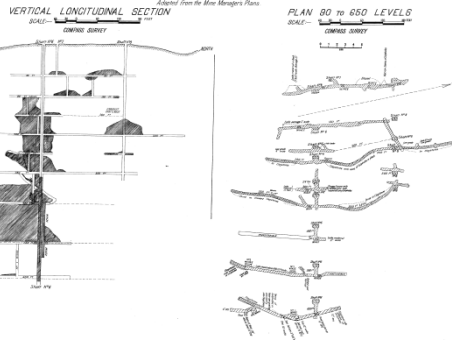


WEBB'S SILVER MINE

M.S. 33

Pinak Sranhoge North C^o Dought

Extracted from the Mine Managers Plans

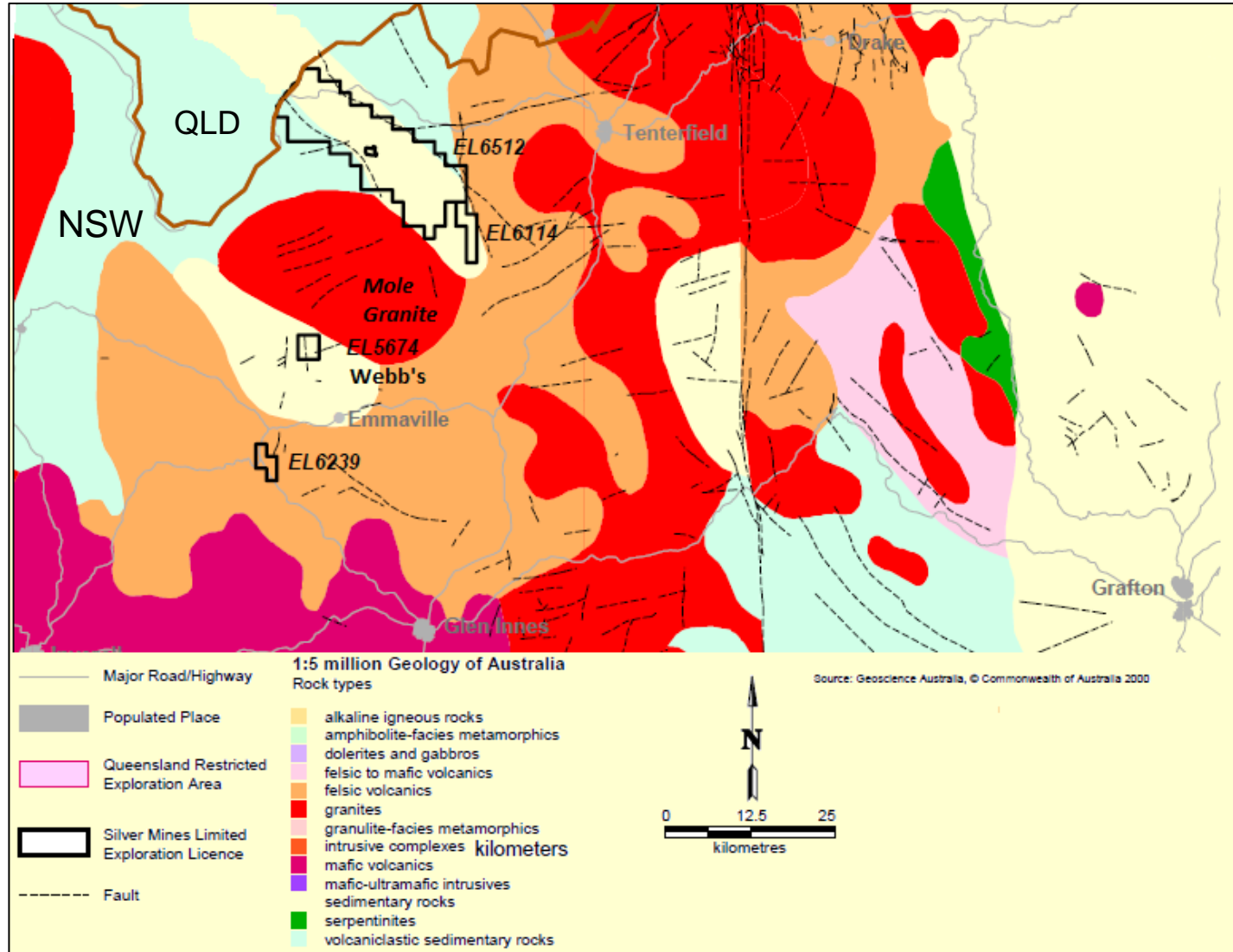


- Historic mine 1885-1901 and 1962-1965, up to 55,000t @ 700g/t Ag
- Reasonable amount of previous work including 3600m of drilling, surface – underground mapping and sampling, IP, TURAM and metallurgical test-work.

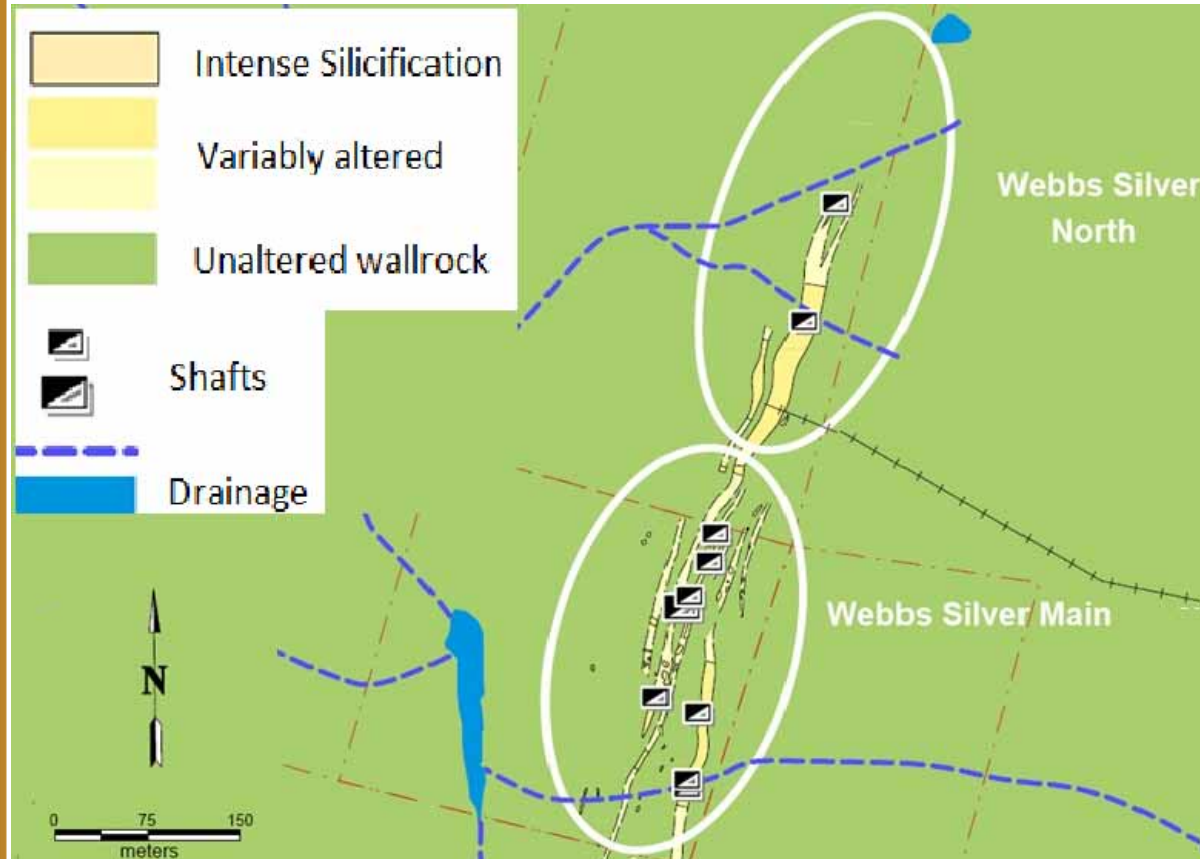
GEOLOGY

Mole Granite
intruding
Permian seds &
felsic volcanics

Webb's hosted
in seds



Webb's Project Geology



- fine grained fractured metasediments
- Quartz-sericite-carbonate altered
- Sulphides tetrahedrite, sphalerite, galena, chalcopyrite.

Bedding

Interbedded
sediments

Dip: sub-vertical
Strike: N-NNE



Structure



Jointed - cleaved
siltstone

Alteration

'Bleaching'
Quartz-
sericite-
carbonate-
chlorite-
sulphide

RC057

95-110m
297ppm Ag incl.
97-100m
1156ppm Ag



RC057



Waste

'Min'

Mineralisation

5-40% sulphide
 Early asp-cass,
 Sph-cp-stan-
 po-tet-flu-rut-
 gal

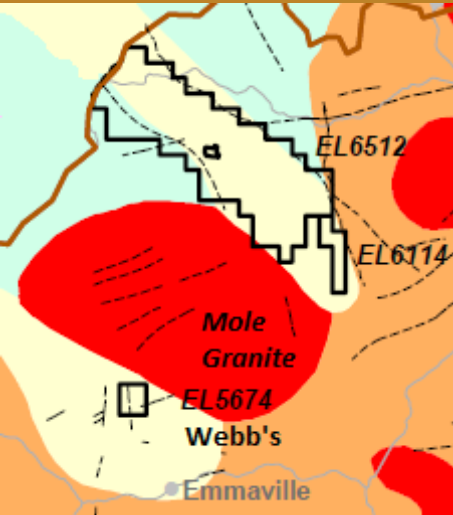
Zones up to
 15m wide with
 narrower high
 grade



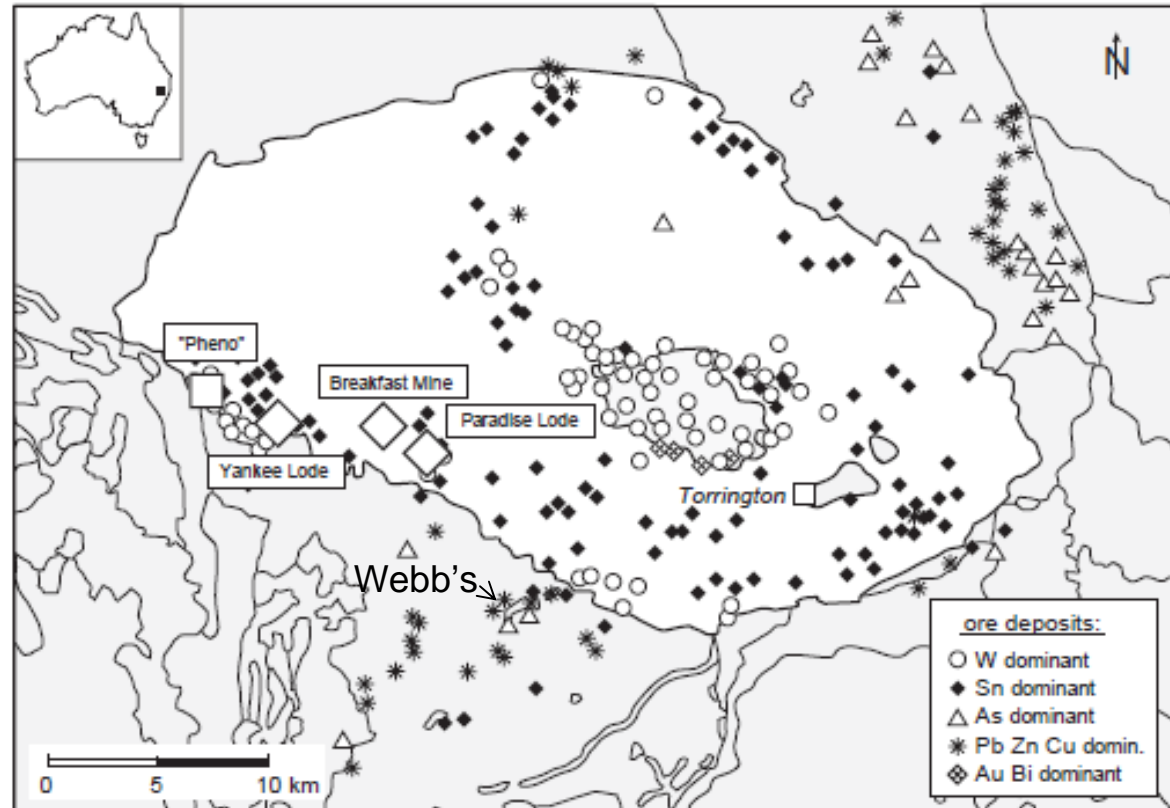
- Strong Ag-Zn-Cu-As-Sb correlation plus Pb, Sn, Bi, W and In

Ore Genesis

- Mineral association indicative of 'granitic' input
- Mole Granite - post orogenic I type fractionated and reduced leucogranite.
- Mineralised – Sn-W-Bi, plus Au, Ag, Cu, Pb, Zn
- Shallow emplacement, 'recently' unroofed
- Webb's favourable chemo-structural position
- Bedding-joint/cleavage intersection control
- ? carbonate
- Lateral-vertical zoning



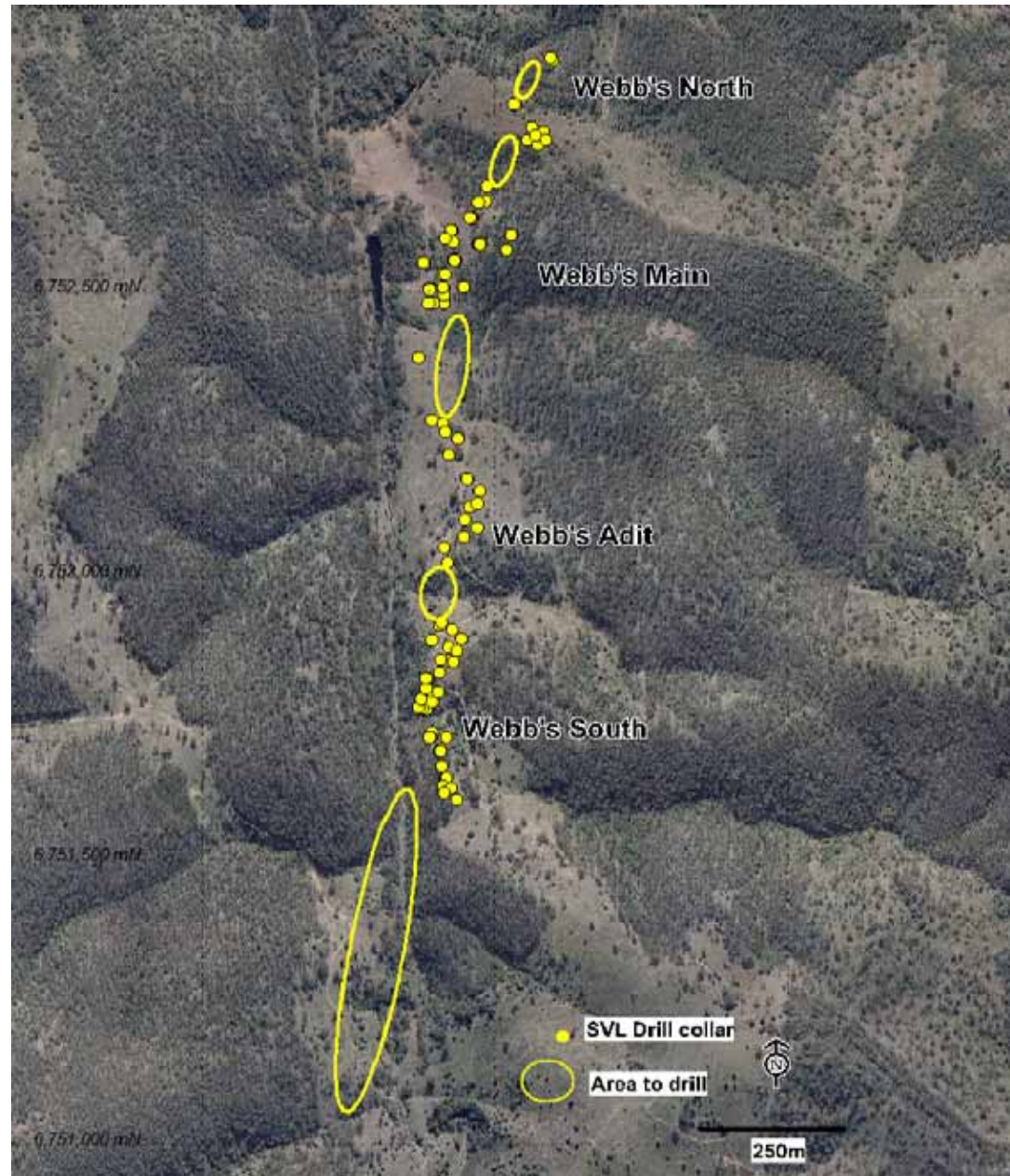
Metallogeny Mole Granite



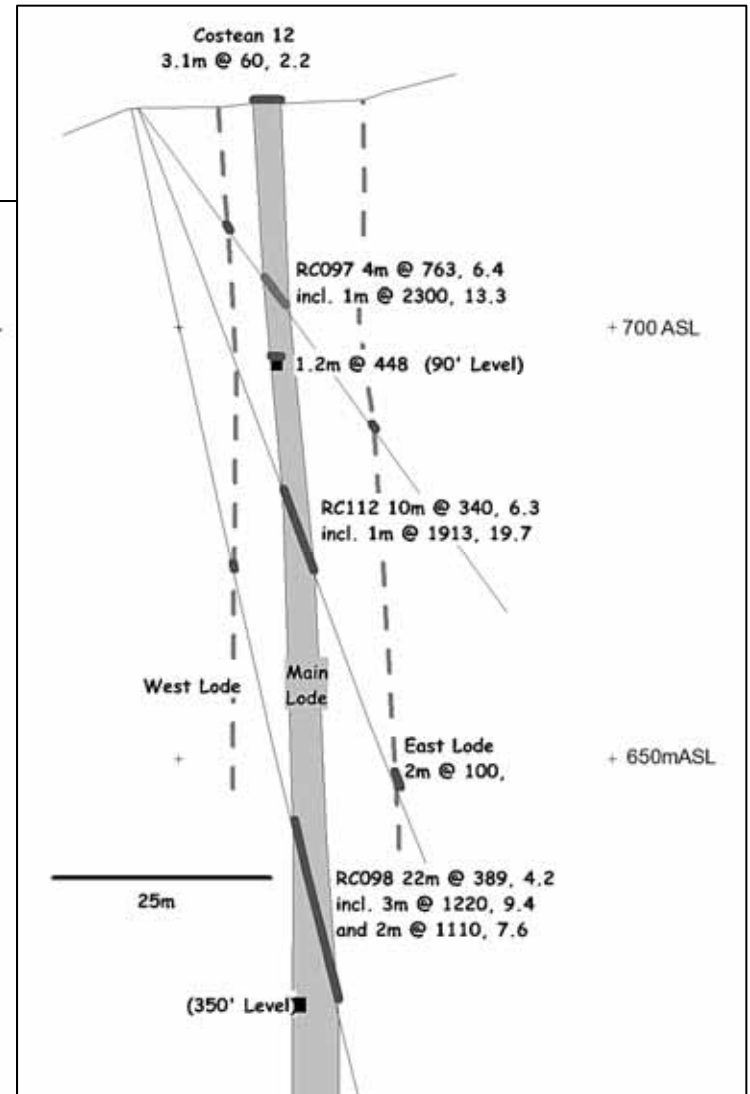
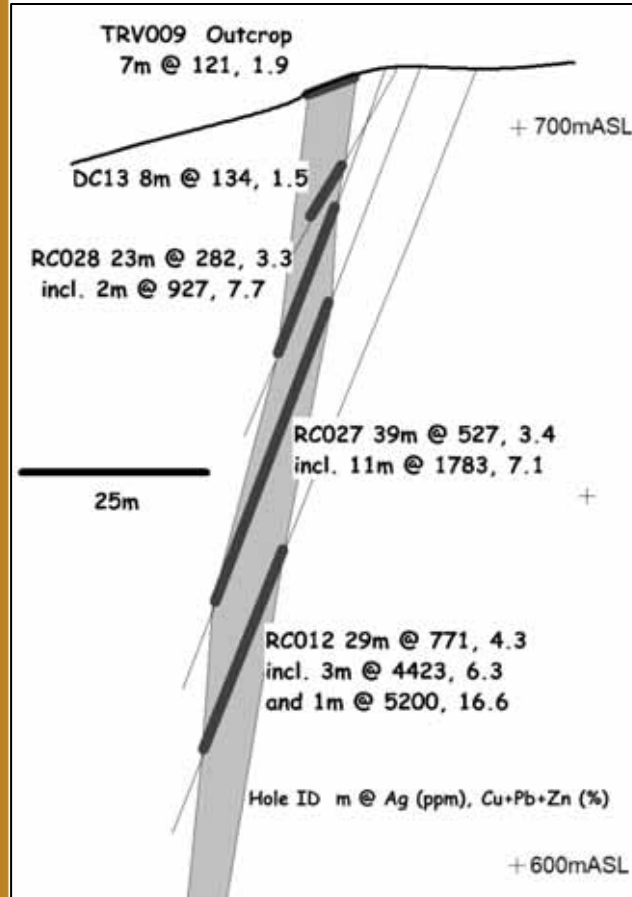
Source: Schaltegger et al, 2005

Webb's Project

2km trend defined by geology, geochem, IP/EM and drilling



Webb's Cross Sections



Webb's South

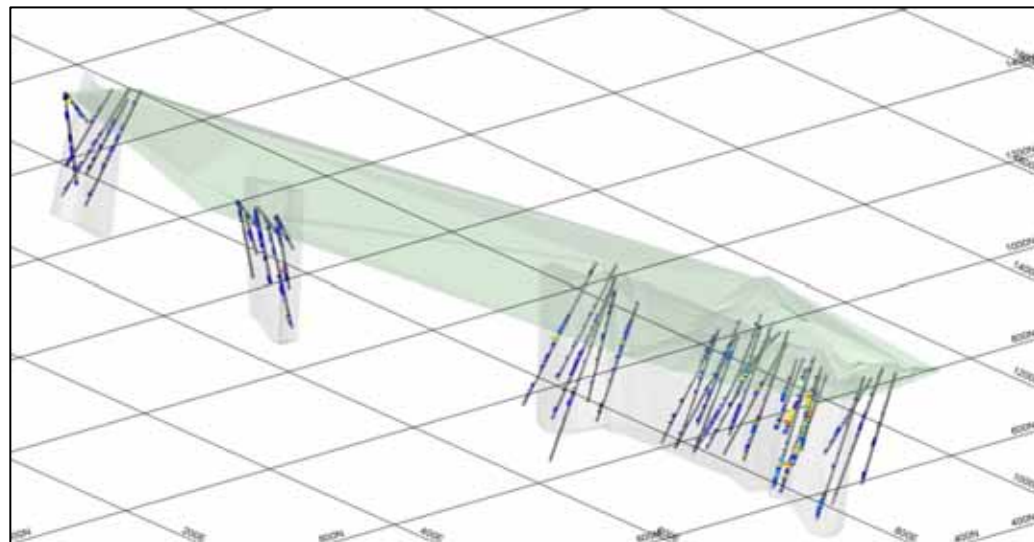
Webb's Main

Looking north

Webb's Resource, Sept 2008

Inferred Resources at 70ppm Ag cut-off

Zone	Tonnes	Ag ppm	Cu %	Zn %	Pb %
South	520000	230	0.2	1.3	0.4
Adit	93000	130	0.2	0.6	0.7
Main	98000	130	0.2	0.5	0.6
North	9100	100	0.2	0.3	0.4
TOTAL	720000	200	0.19	1.1	0.5



The Future

- Move Webb's project forward
- 4000m planned drilling by year end
- **Updated resource estimate** expected very soon
- Assess potential for an operation
- Metallurgical test-work
- Progress regional targets, acquire new projects
- Improve geological understanding
- Continue to deliver and remain focused

Any questions?