

TO Market Announcements Office
ASX Limited
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

By: ASX Online

16 JANUARY 2024

Dear Sir or Madam

Silvercorp Metals Inc. - Off-market takeover bid for OreCorp Limited - Replacement Bidder's Statement

We act for Silvercorp Metals Inc. (BN 131033920 / ARBN 671 900 020) (**Silvercorp**) in respect of its off-market takeover bid (**Offer**) for all of the ordinary shares in OreCorp Limited (ACN 147 917 299) (ASX:ORR) (**OreCorp**) that it does not already own.

We enclose in accordance with section 633A(2) of the *Corporations Act 2001* (Cth) (as modified by the *ASIC Corporations (Replacement Bidder's and Target's Statements) Instrument 2023/688 (Instrument)*) (**Corporations Act**), a copy of Silvercorp's replacement bidder's statement dated 16 January 2024 (**Replacement Bidder's Statement**) and a copy of that Replacement Bidder's Statement marked to show all changes from the original bidder's statement dated 27 December 2023. The Replacement Bidder's Statement was lodged with the Australian Securities & Investments Commission and given to OreCorp today.

OreCorp has agreed to early dispatch of the Replacement Bidder's Statement in accordance with the Instrument.

Silvercorp will commence sending the Replacement Bidder's Statement to the holders of OreCorp ordinary shares today. The Replacement Bidder's Statement contains the Offer dated 16 January 2024.

Yours sincerely



King & Wood Mallesons

Contacts

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King & Wood Mallesons

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REPLACEMENT BIDDER'S STATEMENT

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to how to deal with it, you should consult your legal, financial or other professional adviser as soon as possible.

Recommended Offer by:

Silvercorp Metals Inc. (BN 131033920 / ARBN 671 900 020)
to purchase all your shares in OreCorp Limited (ACN 147 917 299)

For each OreCorp Share you will receive **a combination of \$0.19 cash and 0.0967 Silvercorp Shares**

OreCorp Directors recommend you **ACCEPT** the Offer in the absence of a Superior Proposal and subject to the Independent Expert's Report concluding, and continuing to conclude that the Offer is reasonable to OreCorp Shareholders.

If you have any questions about the Offer, please call the Silvercorp Information Line on 1300 290 691 (within Australia) or +61 2 9066 4081 (outside Australia) between 9:00am and 5:30pm (Sydney time) Monday to Friday, excluding public holidays in Sydney.

The Offer is dated 16 January 2024 and will close at 7.00pm (Sydney time) on 23 February 2024, unless extended.

The Silvercorp Shares have not been registered under the US Securities Act and may not be offered or sold in the United States or to US persons unless the Silvercorp Shares are registered under the US Securities Act, or an exemption from the registration requirements of the US Securities Act is available.

Australian legal adviser

KING & WOOD
MALLESONS

Financial adviser



Important Dates

Announcement of Offer	27 December 2023
Date of the original Bidder's Statement	27 December 2023
Date of this replacement Bidder's Statement	16 January 2024
Date of the Offer	16 January 2024
Closing Date (unless extended or withdrawn) 7.00pm (Sydney time)	23 February 2024

Note: the Closing Date for the Offer may change as permitted by the Corporations Act.

Important Notice

This document is a replacement Bidder's Statement issued by Silvercorp Metals Inc. (BN 131033920/ARBN 671 900 020) (**Silvercorp**) under Part 6.5 of the Corporations Act (as modified by *ASIC Corporations (Replacement Bidder's and Target's Statements) Instrument 2023/688*) and includes an Offer to acquire all fully paid ordinary shares in OreCorp Limited (ACN 147 917 299) (**OreCorp**) that Silvercorp does not already own.

This replacement Bidder's Statement replaces, and incorporates all the substantive information in, the original bidder's statement dated and lodged with ASIC on 27 December 2023 and the supplementary bidder's statement dated and lodged with ASIC in relation to the original Bidder's Statement on 5 January 2024.

The Offer described within this Bidder's Statement is given by Silvercorp to OreCorp under Part 6.5 of the Corporations Act and sets out certain disclosures required by the Corporations Act together with the terms of the Offer to acquire your OreCorp Shares.

This replacement Bidder's Statement is dated 16 January 2024 and includes an Offer dated 16 January 2024 on the terms set out in Appendices 1 and 2 of this Bidder's Statement.

A copy of this replacement Bidder's Statement was lodged with ASIC on 16 January 2024. ASIC takes no responsibility for the content of this replacement Bidder's Statement.

Defined Terms

Terms used in this Bidder's Statement are defined in the Glossary.

Unless otherwise indicated, all references to sections are references to sections of this Bidder's Statement.

Unless the context requires otherwise, references in this document to "this Bidder's Statement", "the date of this Bidder's Statement" or similar expressions are references to this replacement Bidder's Statement dated 16 January 2024.

Implied value of the Silvercorp Offer

As you are being offered Silvercorp Shares as part of the consideration for your OreCorp Shares, the implied value to you of the Offer will vary with the TSX/NYSE American trading price of Silvercorp Shares. Further information on the implied value of the Offer is contained in section 1.2 of this Bidder's Statement.

Currencies

This Bidder's Statement may contain conversion of relevant currencies to other currencies for reference only. These conversions should not be construed as representations that the relevant currency could be converted into the other currency at the rate used or at any other rate. Conversions that have been calculated at a relevant date may not correspond to the amounts shown in the historic or future financial statements of Silvercorp or OreCorp in respect of which different exchange rate may have been, or may be, used.

Mineral Resources and Ore Reserves/Mineral Reserves

OreCorp's disclosure of Mineral Resources and Ore Reserves is based on the reporting requirements of the JORC Code. Silvercorp's disclosure of CIM Mineral Resources and CIM Mineral Reserves is governed by National Instrument NI 43-101 (**NI 43-101**), which adopts the CIM Standards. With the exception of slight differences in terminology, there are no material differences between the statements of Mineral Resources and Ore Reserves prepared in accordance with the

JORC Code and statements of CIM Mineral Resources and CIM Mineral Reserves prepared in accordance with the CIM Standards applicable under NI 43-101. Refer to section 12.9 for an explanation of these terms under the JORC Code and NI 43-101.

Investment advice

You should read this Bidder's Statement in its entirety before deciding whether to accept the Offer. The information in this Bidder's Statement does not take into account your individual investment objectives, financial situation or needs. You should consider whether the information in this Bidder's Statement is appropriate for you in light of your objectives, financial situation and needs. Accordingly, before making a decision whether or not to accept the Offer, you may wish to consult your professional adviser.

Notice to foreign OreCorp Shareholders

The Offer is being proposed and will be conducted in accordance with the laws in force in Australia. No action has been taken to register or qualify the Silvercorp Shares or otherwise permit a public offer of Silvercorp Shares in any jurisdiction outside Australia.

Based on the information available to Silvercorp, OreCorp Shareholders whose addresses are shown in the Register on the Register Date for the Offer as being in the following jurisdictions will be entitled to receive the Bidder's Statement and have Silvercorp Shares issued to them under the Offer subject to any qualifications set out below in respect of that jurisdiction:

- Australia;
- New Zealand;
- the United Kingdom where (i) OreCorp Shareholders are "qualified investors" (as defined in Article 2(e) of the UK Prospectus Regulation) or (ii) the number of other OreCorp Shareholders is less than 150;
- Canada; and
- any other person or jurisdiction in respect of which Silvercorp (in consultation with OreCorp) determines that it is lawful and not unduly onerous or impracticable to issue that OreCorp Shareholder with Silvercorp Shares under the Offer.

The distribution of this Bidder's Statement outside Australia, New Zealand, the United Kingdom (subject to paragraph below) and Canada may, in some countries, be restricted by law or regulation. Accordingly, persons who come into possession of this Bidder's Statement should inform themselves of, and observe, those restrictions.

Nominees and custodians who hold OreCorp Shares on behalf of a beneficial owner resident outside Australia and New Zealand and Canada may not forward this Bidder's Statement (or any accompanying document) to anyone outside these countries without the consent of Silvercorp except that nominees and custodians may send the Bidder's Statement to beneficial shareholders of OreCorp that are "qualified investors" (as defined in Article 2(e) of the UK Prospectus Regulation) in the United Kingdom.

Ineligible Foreign Shareholders will not be entitled to Silvercorp Shares as part of the Offer Consideration. Instead, the Silvercorp Shares to which they would otherwise be entitled will be issued to the Nominee. Those Silvercorp Shares will be offered for sale and the net proceeds provided to the Ineligible Foreign Shareholders in Australian dollars in accordance with 2.2 of the Offer Terms in Appendix 1.

The disclosure requirements in relation to the Offer in Australia will differ from those applying in other jurisdictions (including the United States). The financial statements included in this Bidder's Statement have been prepared in accordance with generally accepted accounting principles in Canada that will differ from those in other jurisdictions (including the United States). Substantially all of the Directors of Silvercorp are located in Canada and China and all of Silvercorp's material assets are located in China. As a result, investors resident in places other than Australia and Canada may have difficulties in enforcing their rights and any claims they may have arising under the laws of the jurisdiction in which they are resident (including, for United States investors, the United States federal securities laws) against Silvercorp, Silvercorp Board or any of the officers or employees of Silvercorp Group. It may be difficult to compel Silvercorp and its affiliates to subject themselves to a judgment of a court outside Australia/Canada.

This Bidder's Statement is neither an Offer to sell to nor a solicitation of an offer to buy securities (as such terms are defined under the

US Securities Act) from Ineligible Foreign Shareholders. The Silvercorp Shares to be issued pursuant to the Offer have not been, and will not be, registered under the US Securities Act or the securities laws of any United States state or other jurisdiction and therefore may not be offered or sold to US persons or persons resident in or located in the United States without registration or an applicable exemption from the registration requirements of the US Securities Act.

None of the US Securities Exchange Commission, any United States state securities commission or any other United States regulatory authority has passed comment upon or endorsed the merits of the Offer or the accuracy, adequacy or completeness of this Bidder's Statement. Any representation to the contrary is a criminal offence.

New Zealand

This Bidder's Statement is not a New Zealand disclosure document and has not been registered, filed with or approved by any New Zealand regulatory authority under or in accordance with the *Financial Markets Conduct Act 2013* or any other New Zealand law.

The offer of Silvercorp Shares is being made to existing shareholders of OreCorp in reliance upon the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2021* and, accordingly, this Bidder's Statement may not contain all the information that a disclosure document is required to contain under New Zealand law.

United Kingdom

Neither this Bidder's Statement nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the *Financial Services and Markets Act 2000*, as amended (**FSMA**)) has been published or is intended to be published in respect of the Silvercorp Shares. The Silvercorp Shares may not be offered or sold in the United Kingdom by means of this Bidder's Statement or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA.

This Bidder's Statement is issued on a confidential basis in the United Kingdom to (as

defined in Article 2(e) of the UK Prospectus Regulation) shareholders who are "qualified investors" (as defined in the UK Prospectus Regulation) and fewer than 150 other persons. This Bidder's Statement may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the Silvercorp Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to Silvercorp.

In the United Kingdom, this Bidder's Statement is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the *Financial Services and Markets Act 2000 (Financial Promotions) Order 2005*, as amended (**FPO**), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investment to which this Bidder's Statement relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this Bidder's Statement.

Canada

The Silvercorp Shares to be issued to any OreCorp Shareholders in Canada are being issued in reliance upon exemptions from the prospectus and registration requirements of applicable Canadian securities laws in each province and territory of Canada. As a result, a shareholder in Canada may not receive information that would otherwise be required to be provided under applicable Canadian securities laws, and some rights, remedies and protections otherwise available under Canadian securities laws will not be available to the shareholder.

This Bidder's Statement has not been filed with any securities commission or securities regulatory authority in any province or territory of Canada. Additionally, no securities commission or securities regulatory authority in Canada has reviewed or in any way passed

upon this Bidder's Statement or the merits of the Offer or any securities of Silvercorp and any representation to the contrary is an offence.

OreCorp Shareholders in Canada should note that the Offer will be conducted in accordance with the laws of Australia which may differ from comparable processes conducted under Canadian law.

In Canada, this Bidder's Statement is distributed only to OreCorp Shareholders and is not being made available to the public in Canada, and is not intended to be, made generally available in Canada other than to such OreCorp Shareholders. The Bidder's Statement should not be relied upon in Canada other than by OreCorp Shareholders.

This Bidder's Statement does not constitute or form part of, and should not be construed as, an offer or invitation to sell or any solicitation of any offer to purchase or subscribe for any securities of Silvercorp in Canada.

Disclosure regarding Forward Looking Statements

Some of the statements appearing in this Bidder's Statement may be in the nature of forward looking statements. Forward looking statements may generally be identified by the use of forward looking verbs such as "aim", "anticipate", "believe", "estimate", "expect", "foresee", "intend" or "plan", by words denoting uncertainty such as "likely", "may", "potential" or "should", or by derived or similar words. Similarly, statements that describe the expectations, objectives, plans or targets of Silvercorp or OreCorp may be forward looking statements.

These forward looking statements are, subject to risks, uncertainties and assumptions which could cause actual events or results to differ materially from the expectations described in such forward looking statements. These factors include, amongst other things, the risks identified in section 10, as well as other matters not yet known to Silvercorp or not currently considered material by Silvercorp. All forward looking statements should be read in light of such risks and uncertainties.

None of Silvercorp nor any of their respective officers, employees or advisers makes any representation or warranty that any outcome, performance, or result expressed in or implied by any forward looking statement in this Bidder's Statement will actually occur. You

should treat all forward looking statements with caution and not place undue reliance on them.

Any forward looking statements in this Bidder's Statement reflect the assumptions and expectations of Silvercorp as at the date of this Bidder's Statement. Except to the extent required by law, none of Silvercorp, Silvercorp Board, nor any member of Silvercorp Group or their respective officers or employees, any persons named in this Bidder's Statement with their consent or any person involved in the preparation of this Bidder's Statement, make any representation or warranty (express or implied) as to the accuracy or likelihood of fulfilment of any forward looking statement, or any events or results expressed or implied in any forward looking statement and they disclaim any obligation to revise or update any forward looking statements after the date of this Bidder's Statement to reflect any change in the assumptions or expectations on which those statements are based.

Information on OreCorp

The information on OreCorp, OreCorp Shares and OreCorp Group's business contained in this Bidder's Statement has been prepared based on a review of publicly available and limited non-public information and should not be considered comprehensive. Information in this Bidder's Statement concerning OreCorp Group, OreCorp Shares and OreCorp Group's business has not been independently verified by Silvercorp. Subject to the Corporations Act, none of the Silvercorp, Silvercorp Board, nor any member of Silvercorp Group or their respective officers or employees make any representation or warranty (express or implied) as to the accuracy or completeness of this information.

Further information relating to OreCorp Group's business may be included in OreCorp's target statement which OreCorp must provide to OreCorp Shareholders in response to this Bidder's Statement.

Privacy

Silvercorp has collected your information from the Register of OreCorp Shareholders for the purposes of making this Offer and, if accepted, administering your holding of OreCorp Shares. The type of information Silvercorp has collected about you includes your name, contact details and information on your shareholding in OreCorp. Without this information, Silvercorp would be hindered in its ability to carry out the Offer. The Corporations

Act requires the names and addresses of OreCorp Shareholders to be held in a public register. Your information may be disclosed on a confidential basis to Silvercorp and its Related Bodies Corporate, and holders of securities in Silvercorp or its Related Bodies Corporate and external service providers, and may be required to be disclosed to regulators, such as ASIC.

Websites

Both Silvercorp and OreCorp maintain internet sites. Silvercorp's website is at <https://silvercorpmetals.com/>. OreCorp's website is at <https://orecorp.com.au/>.

Information contained on, or otherwise accessible through, these internet sites is not a part of this Bidder's Statement. All references in this Bidder's Statement to these internet sites are inactive textual references to these sites and are for your information only.

Updated information

Information contained in this Bidder's Statement is subject to change from time to time. Please refer to any ASX announcements of OreCorp regarding updates in relation to the Offer. Some information may be updated and made available to you on Silvercorp's website at <https://silvercorpmetals.com/> where that information is not of a kind that is required to be included in a supplementary Bidder's Statement (that is, where that information is not material in relation to the Offer).

Enquiries

If you are in any doubt as to how to deal with this Bidder's Statement, you should consult your legal, financial or other professional adviser.

If you have any questions about the Offer, please call the Silvercorp information line on 1300 290 691 (within Australia) or +61 2 9066 4081 (outside Australia) between 9:00am and 5:30pm (Sydney time) Monday to Friday, excluding public holidays in Sydney. This line will only be open from the date the Offer opens until one week after it closes.

How to accept the Offer

The Offer may only be accepted for all of your OreCorp Shares. You may accept the Offer during the Offer Period in the manner specified below. How you accept the Offer depends on whether your OreCorp Shares are in an Issuer Sponsored Holding or a CHESS Holding. Your personalised Acceptance Form outlines which type of holding you have.

- **If you hold your OreCorp Shares in an Issuer Sponsored Holding (your SRN starts with an “I”),** to accept the Offer you must complete, sign and return the enclosed personalised Acceptance Form in accordance with the instructions on it and return it to the address or the email address indicated on the form (and set out below) before the end of the Offer Period.
- **If you hold your OreCorp Shares in a CHESS Holding (your HIN starts with an “X”),** to accept the Offer you must comply with the ASX Settlement Operating Rules by doing one of the following:
 - (a) instruct your Controlling Participant (usually your broker) to initiate acceptance of the Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules in sufficient time for the Offer to be accepted before the end of the Offer Period; or
 - (b) complete the accompanying personalised Acceptance Form and send it (together with all other documents required by the instructions on the form) directly to your broker or other Controlling Participant in sufficient time for the Offer to be accepted before the end of the Offer Period with instructions to initiate acceptance of the Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period; or
 - (c) complete, sign and return your personalised Acceptance Form in accordance with the

instructions on it and lodge it by returning it to the address or email address indicated on the form (and set out below) in sufficient time for Silvercorp or Computershare to instruct your Broker or other Controlling Participant to initiate acceptance of the Offer on your behalf so that your acceptance is received before the end of the Offer Period.

- **If you are a Broker or an ASX Settlement Participant,** to accept the Offer you must initiate acceptance in accordance with the requirements of the ASX Settlement Operating Rules before the end of the Offer Period.
- **If some of your OreCorp Shares are held in an Issuer Sponsored Holding and some in a CHESS Holding,** you will need to accept the Offer separately for each holding if you wish to accept the Offer for all of your OreCorp Shares across those holdings. Clause 4 of the Offer Terms in Appendix 1 to this Bidder's Statement contains further information on how to accept the Offer.
- **When you return the completed Acceptance Form,** you must mail or deliver the completed Acceptance Form and any other documents required by the above instructions using the self addressed envelope included or otherwise, to the address or email address indicated on the Acceptance Form (and set out below) so that is received before the relevant deadline stated in the above instructions.

The postal address for your completed personalised Acceptance Form is as follows.

Computershare Investor Services Pty
Limited
GPO Box 52
Melbourne VIC 3001

The email address for your completed personalised Acceptance Form is:
corpactprocessing@computershare.com.au.

You may also deliver your completed personalised Acceptance Form in person to the following address:

Yarra Falls
452 Johnston Street
Abbotsford
Melbourne VIC 3067

A reply paid envelope (for use by OreCorp Shareholders within Australia) is enclosed for your convenience.

Unless you advise us otherwise in writing when accepting the Offer, by accepting the Offer you represent to us that you are not, and are not acting for the account or benefit of, a US Purchaser.

The transmission of your personalised Acceptance Form and other documents is at your own risk.

For full details see clause 4 of the Offer Terms in Appendix 1 to this Bidder's Statement.

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Letter from Silvercorp Chairman and Chief Executive Officer



16 January 2024

Dear OreCorp Shareholder

On behalf of Silvercorp, I am pleased to present you with this Offer to acquire all of your OreCorp Shares for consideration comprising of a combination of \$0.19 cash plus 0.0967 Silvercorp Shares for each OreCorp Share.

This Offer replaces the proposed Scheme announced on 6 August 2023 between OreCorp and its shareholders under which all of the issued shares in OreCorp (other than the OreCorp Shares held by Silvercorp) were proposed to be transferred to Silvercorp.

Since the announcement of the Scheme, no Superior Proposal has emerged for OreCorp Shareholders. However on 27 November 2023, Perseus Mining Limited (**Perseus**) acquired a 19.9% interest in OreCorp and announced it intended to vote against the Scheme without submitting a proposal in competition to the Scheme. Perseus' action effectively blocked the Scheme and left OreCorp Shareholders without an alternative opportunity for liquidity. Since then and more than 7 weeks later, Perseus has still not given any indications to all OreCorp Shareholders of its motives or plans or, as far as Silvercorp is aware, made any proposal to OreCorp that would provide liquidity to all OreCorp Shareholders.

As a result, Silvercorp and OreCorp have decided to terminate the Scheme and Silvercorp is presenting OreCorp Shareholders an alternative transaction in the form of this Offer. The Offer has the same consideration as the Scheme, reduced conditionality from the Scheme because of the lower level of shareholder support required, and remains the only offer available to OreCorp Shareholders. Even if an alternative proposal for control of OreCorp is made, it is likely to be subject to additional risks, conditions, and delays, such that it may not provide OreCorp Shareholders with a compelling liquidity opportunity on a timely basis, or at all.

An attractive Offer

The implied value of the Offer Consideration is A\$0.538 per OreCorp Share (being A\$0.19 in cash and 0.0967 of a Silvercorp common share valued at A\$0.348)¹, which represents a:

- 24% premium to the closing price of OreCorp Shares of A\$0.435 on ASX on 4 August 2023 (being the last trading day prior to the announcement of the Scheme);
- 28% premium to the 20-day volume-weighted average price (**VWAP**) of OreCorp Shares of A\$0.421 on ASX for the period ending 4 August 2023;
- 5% premium to the closing price of OreCorp Shares of A\$0.510 on ASX on 22 December 2023 (being the last trading day prior to the announcement of the Offer); and

¹ Based on the Silvercorp Share's volumed weighted average market price of US\$2.41 in the ordinary course of trading during the two full trading days of 9 January 2024 and 10 January 2024 on the NYSE American and the AUD:USD exchange rate of 1.495 as at 10 January 2024. The implied value of the Offer Consideration in this Bidder's Statement is calculated in accordance with the relief granted under the *ASIC Corporations (Minimum Bid Price) Instrument 2015/1068*. Trading data in this Bidder's Statement is sourced from Capital IQ, Bloomberg and the ASX official website who have not consented to the use of the reference in this Bidder's Statement.

- 11% premium to the 20-day VWAP of OreCorp Shares of A\$0.483 on ASX for the period ending 22 December 2023.

Based on the share component of the Offer Consideration, the Offer provides you with the opportunity to become a shareholder in a significantly larger entity offering the benefits of scale, diversity and financial strength, while retaining participation in further upside from the Nyanzaga Project and Silvercorp's existing assets.

The liquidity of Silvercorp Shares, in comparison to the trading of OreCorp Shares, represents a significant advantage for OreCorp shareholders, especially in volatile markets. The Offer also provides OreCorp Shareholders with an opportunity to participate in a re-rating due to enhanced scale, asset diversification, existing production and exploration upside, as well as on the successful development of Nyanzaga, which is expected to commence commercial gold production in H2 2025. As at 30 September 2023, Silvercorp had cash and cash equivalents and short term investments of US\$189.1 million and an equity investment portfolio in associates and other companies with a total market value of US\$124.0 million. Silvercorp's balance sheet, together with its track record of cash generation from its existing asset base, provide significantly greater certainty of funding the development and commissioning of the Nyanzaga Project.

The Offer has unanimous support from the OreCorp Board, and OreCorp Directors, who collectively hold approximately 3.9% of the OreCorp Shares, intend to accept the Offer in respect of all OreCorp Shares they own or control on the Acceptance Date, in the absence of a Superior Proposal, and subject to the Independent Expert concluding and continuing to conclude that the Offer is reasonable to OreCorp Shareholders.

FCC intervention

Silvercorp lodged an application to the Tanzanian Fair Competition Commission (**FCC**) on 4 September 2023 for a merger approval for the proposed acquisition of control of OreCorp. As announced by OreCorp on 7 November 2023, Silvercorp had obtained the unconditional merger approval granted by the FCC (**Existing Approval**).

If the FCC takes the view that the Existing Approval is not valid for the change of control of OreCorp associated with the Offer, and does not grant a new approval in relation to the Offer, the Offer Condition in paragraph (c) of Appendix 2 of this Bidder's Statement will be breached, as the action by the FCC could reasonably be expected to restrain, impede or prohibit or otherwise have a material adverse effect on the making or completion of the Offer.

Silvercorp, together with OreCorp, are engaging with the FCC in order to seek a confirmation from the FCC that the Existing Approval applies to the Offer or alternatively, provide a new approval for the Offer (**Offer Approval**). Silvercorp and OreCorp believe that, given the Existing Approval, this confirmation of application of Existing Approval or new Offer Approval will be completed within a shorter timeframe than typically required for this process (as an example, the public notice period has been reduced from 14 to 7 days). Accordingly, Silvercorp and OreCorp's current expectation is to receive the FCC decision by mid-February 2024.

In light of the circumstances, Silvercorp:

- undertakes not to exercise any rights it has in relation to the FCC intervention under the Offer or the Bid Implementation Deed unless and until the FCC has made a decision that would restrain, impede or prohibit or otherwise have a material adverse effect on the making or completion of the Offer; and
- intends to keep the Offer open until at least 23 February 2024 (to allow the FCC to make a determination in relation to the Offer Approval, although Silvercorp reserves the right not to extend the Offer Period if the FCC has not made such determination by the end of the Offer Period).

I encourage you to read this Bidder's Statement for more details about the Offer and accept the Offer as soon as possible.

The Offer is open for your acceptance until 23 February 2024 unless extended or withdrawn. If you wish to accept the Offer, please follow the instructions in this Bidder's Statement and on your personalised Acceptance Form.

If you have any questions in relation to the Offer, please call the Silvercorp Information Line on 1300 290 691 (within Australia) or +61 2 9066 4081 (outside Australia) between 9:00am and 5:30pm (Sydney time) Monday to Friday, excluding public holidays in Sydney, or consult your professional adviser.

As Chairman and Chief Executive Officer of Silvercorp, I am excited by the future of the combined group and the future potential of the Nyanzaga Project, and look forward to welcoming you as a shareholder.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Rui Feng', with a stylized flourish at the end.

Dr. Rui Feng
Chairman, Chief Executive Officer
Silvercorp Metals Inc.

1 Why you should accept the Offer

The Offer provides OreCorp Shareholders with the opportunity to be exposed to enhanced trading liquidity, re-rating potential and participation in further upside from the Nyanzaga Project and Silvercorp's existing portfolio.

1.1 The OreCorp Directors unanimously recommend that you accept the Offer subject to the Independent Expert concluding, and continuing to conclude, that the Offer is reasonable to OreCorp Shareholders and there being no Superior Proposal

The OreCorp Directors recommend that you accept the Offer, in the absence of a Superior Proposal and subject to the Independent Expert concluding, and continuing to conclude, that the Offer is reasonable to OreCorp Shareholders.

Subject to those same qualifications, each OreCorp Director intends to accept, or procure the acceptance of, the Offer in relation to all OreCorp Shares in which they have a Relevant Interest, on the Acceptance Date.

As at the date of this Bidder's Statement, this represents in total approximately 18.5 million OreCorp Shares or 3.9% of the total number of OreCorp Shares on issue.

The Independent Expert has previously concluded that the Scheme Consideration was fair and reasonable to OreCorp Shareholders. The Offer Consideration is the same as the Scheme Consideration.

1.2 The implied value of the Offer Consideration represents an attractive premium to the trading prices of OreCorp Shares on ASX

The Offer Consideration comprises A\$0.19 in cash plus 0.0967 Silvercorp Shares for each OreCorp Shares.

The implied value of the Offer Consideration is A\$0.538 per OreCorp Share (being A\$0.19 in cash and 0.0967 of a Silvercorp common share valued at A\$0.348)², which represents a:

- 24% premium to the closing price of OreCorp Shares of A\$0.435 on ASX on 4 August 2023 (being the last trading day prior to the announcement of the Scheme);
- 28% premium to the 20-day VWAP of OreCorp Shares of A\$0.421 on ASX for the period ending 4 August 2023;
- 5% premium to the closing price of OreCorp Shares of A\$0.510 on ASX on 22 December 2023 (being the last trading day prior to the announcement of the Offer); and
- 11% premium to the 20-day VWAP of OreCorp Shares of A\$0.483 on ASX for the period ending 22 December 2023.

OreCorp Shareholders should be aware that the implied value of the Offer Consideration may move upwards and downwards with fluctuations in the market price of Silvercorp Shares on the TSX and the NYSE American as well as the applicable foreign exchange rate. The Offer Consideration being offered by Silvercorp of A\$0.19 cash plus 0.0967 Silvercorp Shares for each OreCorp Share had an implied value of A\$0.64 per OreCorp Share prior to the

² Based on the Silvercorp Share's volumed weighted average market price of US\$2.41 in the ordinary course of trading during the two full trading days of 9 January 2024 and 10 January 2024 on the NYSE American and the AUD:USD exchange rate of 1.495 as at 10 January 2024.

announcement of the Scheme³ and had an implied value of A\$0.583 per OreCorp Share as at the Offer Announcement Date.

1.3 The Offer Consideration provides attractive liquidity to OreCorp Shareholders

The Offer Consideration provides OreCorp Shareholders with superior liquidity, compared to holding OreCorp Shares, and therefore the opportunity to more readily crystallise all or part of your investment, if you so choose.

Silvercorp has a current market capitalisation of approximately US\$436.1 million⁴. The average daily trading volume of Silvercorp Shares across both the TSX and the NYSE American in the 12-month period prior to Offer Announcement Date was A\$6.8 million⁵, which is equivalent to approximately 2.8% of OreCorp's A\$243,344,590 fully diluted market capitalisation as at 22 December 2023, being the last trading day prior to the Offer Announcement Date. In comparison, the average daily trading volume of OreCorp Shares on ASX in the 12-month period prior to the Offer Announcement Date was A\$532,756, which is equivalent to only 0.2% of OreCorp's A\$243,344,590 fully diluted market capitalisation as at the Offer Announcement Date.

The liquidity of Silvercorp Shares in comparison to the trading of OreCorp Shares represents a significant advantage to OreCorp Shareholders, especially in volatile markets. If you choose to retain your OreCorp Shares, you may face risks associated with reduced liquidity leading to uncertainty as to the future monetisation of your investment.

1.4 The Offer provides OreCorp Shareholders with an opportunity to participate in any additional value created in Silvercorp

OreCorp Shareholders who accept the Offer and decide to retain Silvercorp Shares forming part of the Offer Consideration will become shareholders in a profitable and financially secure company. Silvercorp's strategy will be to continue creating shareholder value by focusing on generating free cashflow from long life mines; bringing development projects into commercial production; organic growth through optimisation, expansion, and extensive drilling for discovery at existing mines and projects; an ongoing merger and acquisition strategy to enhance diversification and grow accretively; and a long-term commitment to responsible mining and sound ESG practices.

Silvercorp also has a history of paying dividends. Silvercorp declared its first annual dividend of CAD\$0.05 per share in calendar year 2007 (Fiscal Year 2008) and has declared and paid dividends since Fiscal Year 2018. Since fiscal year ended 31 March 2019, Silvercorp has been paying semi-annual dividends of US\$0.0125 per share (US\$0.025 per share on an annual basis).

OreCorp Shareholders should note that the declaration and payment of future dividends, if any, is at the discretion of the Silvercorp Board and will be based on a number of relevant factors including commodity prices, market conditions, financial results, cash flows from operations, and expected cash requirements.

³ Based on the 20-day VWAP of Silvercorp's Shares on the NYSE American for the period ending 3 August 2023 converted to Australian dollars using an AUD:USD exchange rate of 1.526.

⁴ Based on the 180,956,113 Silvercorp fully diluted Shares outstanding and the closing price of Silvercorp Shares on the NYSE American of US\$2.41 per Silvercorp Share on as at the close of trading on NYSE American on 10 January 2024 (Eastern Standard Time).

⁵ Based on the daily VWAP and total number of shares traded per day, converted into Australian dollars using the prevailing Canadian dollar to Australian dollar exchange rate for trading on the TSX, and US dollar to Australian dollar exchange rate for trading on the NYSE American).

1.5 **The Offer mitigates certain shareholder dilution and development risks associated with the development of OreCorp's Nyanzaga Project**

Acceptance of the Offer reduces your exposure to the risks inherent in any new mine development, which includes financing, operational and regulatory risks.

In particular, the development of the Nyanzaga Project will require substantial capital and OreCorp would need to raise significant equity capital to fund the development of the project, in addition to working capital, and likely at a discount to the prevailing price of an OreCorp Share of A\$0.435 prior to the Scheme Announcement Date. Such an equity raise would likely result in significant dilution of your ownership interest in OreCorp, unless you invest further capital in OreCorp.

OreCorp has nearly completed making payments under the Resettlement Action Plan, necessary to advance the development of the project. If it does not secure sufficient funds to demonstrate intent and continue the construction of the Nyanzaga Project, its goodwill with the Government of Tanzania and the local community may be jeopardised.

As at 30 September 2023, Silvercorp had cash and cash equivalents and short term investments of US\$189.1 million and an equity investment portfolio in associates and other companies with a total market value of US\$124.0 million. Silvercorp's balance sheet, together with its track record of cash generation from its existing asset base, provide significantly greater certainty of funding and negotiating flexibility with respect to the development and commissioning of the Nyanzaga Project.

The development of the Nyanzaga Project is also subject to regulatory and jurisdiction risks in Tanzania. For example, the Government of Tanzania (through the Treasury Registrar) currently holds a 16% non-dilutable free carried interest (the **Free Carried Interest Shares**) in the share capital of Sotta Mining Corporation Limited (**SMCL**). In addition, the Government of Tanzania has a right to acquire, in total, up to 50% of the share capital of SMCL, determined by the total value of the tax expenditures enjoyed by the SMCL. However, relevant legislation also provides that the Government of Tanzania agrees and undertakes that any increase in ownership or economic participation rights by the Government of Tanzania in addition to the 16 percent Free Carried Interest Shares will be by agreement between the parties, and that the Government of Tanzania will not unilaterally seek to increase such ownership or economic participation rights.

Silvercorp has designed, permitted and constructed multiple mining and processing facilities, requiring it to establish and maintain constructive relationships with diverse stakeholders, including communities, regulators, and various levels of government. Silvercorp intends to apply its philosophy of openness, transparency and cooperation to facilitate the prompt development of the Nyanzaga Project for the benefit of all involved.

1.6 **Since the announcement of the Scheme, no Superior Proposal has emerged**

Since the announcement of the Scheme (being 6 August 2023), no Superior Proposal has emerged, and Silvercorp's offer to acquire OreCorp Shares (previously, under the Scheme or currently, under this Offer) remains the only offer to OreCorp Shareholders.

On 27 November 2023 Perseus announced the acquisition of a Relevant Interest in 19.9% of the OreCorp Shares. Perseus also announced that it intended to vote against the Scheme without submitting an alternative proposal. Perseus effectively blocked the Scheme and left OreCorp Shareholders without an alternative liquidity opportunity until this Offer was announced.

Since then and more than 7 weeks later, Perseus has still not given any indications to all OreCorp Shareholders of its motives or plans or, as far as Silvercorp is aware, made a competing proposal to OreCorp that would provide liquidity to all OreCorp Shareholders. As an OreCorp Shareholder, Silvercorp has concerns that whatever Perseus intends to do in relation to the Nyanzaga Project may not deliver OreCorp Shareholders with any liquidity

opportunity in the near future, or a liquidity opportunity with a better or similar value to the Offer.

1.7 OreCorp's share price may fall after the Offer Lapses

The closing OreCorp Share price on 4 August 2023, being the last trading day prior to the Scheme Announcement Date, was A\$0.435. The closing OreCorp Share price on 22 December 2023, being the last trading day prior to the Offer Announcement Date, was A\$0.510.

If the Offer lapses and there is no other offer available, OreCorp would be subject to a number of risks including those noted in section 1.5, as well as other risks such as risks with respect to the Government of Tanzania due to lack and delay of progress and that certain substantial OreCorp Shareholders may have interests that do not align with the OreCorp Board or other OreCorp Shareholders. All of these factors could result in the OreCorp Share price trading at levels below the Offer price once the Offer (and any other offer available at that time) have lapsed, although this is difficult to predict with any degree of certainty. As a result, OreCorp Shareholders who have not accepted the Offer before it lapses may not have another opportunity to sell their OreCorp Shares for the implied value per OreCorp Share under the Offer, being A\$0.538 per OreCorp Share⁶.

⁶ Based on the Silvercorp Share's volumed weighted average market price of US\$2.41 in the ordinary course of trading during the two full trading days of 9 January 2024 and 10 January 2024 on the NYSE American and the AUD:USD exchange rate of 1.495 as at 10 January 2024.

2 Frequently Asked Questions

You may have questions in relation to the Offer. The following set of questions and answers is intended to assist in your understanding of the Offer. They are qualified by, and should be read in conjunction with, the detailed information contained in this Bidder's Statement. You should read the Bidder's Statement in full before deciding whether or not to accept the Offer. You should also have reference to the Target's Statement which OreCorp will send to OreCorp Shareholders as required under the Corporations Act.

If you have any further questions about the Offer or how to accept it, please call the Silvercorp Information Line on 1300 290 691 (within Australia) or +61 2 9066 4081 (outside Australia) between 9:00am and 5:30pm (Sydney time) Monday to Friday, excluding public holidays in Sydney. This line will only be open from the date the Offer opens until one week after it closes.

#	Question	Answer	Further information
1	What is the Offer?	<p>Silvercorp is offering to buy all of the OreCorp Shares it does not already own (including all Rights attaching to those OreCorp Shares) by way of an off-market takeover bid.</p> <p>If you accept the Offer, and the Offer is declared or becomes unconditional, you will receive the Offer Consideration, being:</p> <ul style="list-style-type: none"> • \$0.19 cash; and • 0.0967 Silvercorp Shares. <p>The Offer relates to all OreCorp Shares that exist or will exist on the Register Date, other than the OreCorp Shares owned by Silvercorp. The Offer also extends to all OreCorp Shares that are issued during the Offer Period due to conversion of any OreCorp Performance Rights that exist at the Register Date.</p>	<p>Section 3.1</p> <p>Offer Terms in Appendix 1</p>
2	Who is Silvercorp?	<p>Silvercorp is a Vancouver based Canadian mining company producing silver, gold, lead, zinc and other metals with a long history of profitability and growth. Silvercorp's strategy is to create shareholder value by focusing on generating free cashflow from long life mines, organic growth through extensive drilling for discovery, ongoing merger and acquisition efforts to unlock value, and long-term commitment to responsible mining and sound environmental, social and governance practices.</p>	Section 4
3	What is the implied value of the Offer Consideration?	<p>The implied value of the Offer Consideration is A\$0.538 per OreCorp Share (being A\$0.19 in cash and 0.0967</p>	Section 1.2

#	Question	Answer	Further information
		<p>of a Silvercorp common share valued at A\$0.348)⁷.</p> <p>It is important to note that the value of a Silvercorp Share and therefore the Offer Consideration may move upwards and downwards with fluctuations in the market price of Silvercorp Shares on the TSX and the NYSE American as well as the applicable foreign exchange rate.</p>	
4	When does the Offer close?	The Offer is currently scheduled to close at 7.00 pm (Sydney Time) on 23 February 2024, unless extended or withdrawn.	<p>Section 3.1</p> <p>Clause 3 of the Offer Terms in Appendix 1</p>
5	Are there any circumstances in which I will not be entitled to receive Silvercorp Shares?	If you are an Ineligible Foreign Shareholder or an Unmarketable Parcel Shareholder, you will not be provided with Silvercorp Shares. Instead, you will receive the net proceeds of the sale (after deducting the applicable brokerage (applied at market standard rates), taxes and charges) of the Silvercorp Shares you would have otherwise been entitled to.	<p>Sections 3.1, 3.3 and 12.15</p> <p>Clauses 2.2 and 6.3 of the Offer Terms in Appendix 1</p>
6	Can Silvercorp extend the time at which the Offer is to close?	Yes, the Offer Period can be extended at Silvercorp's election or otherwise in accordance with the Corporations Act. Silvercorp will give written notice of any extension of the Offer Period in accordance with the Corporations Act.	<p>Section 3.1</p> <p>Clause 3 of the Offer Terms in Appendix 1</p>
7	What are the conditions to the Offer?	<p>The Offer is subject to a limited number of conditions, including:</p> <ul style="list-style-type: none"> • a 50.1% Minimum Acceptance Condition; • TSX and NYSE American Stock Exchange Approval Condition; • No Regulatory Action Condition; • no Material Adverse Change; • no Prescribed Occurrences occurring; and • no other prescribed events. 	<p>Section 3.1</p> <p>Offer Conditions in Appendix 2</p> <p>Section 12.7.</p>

⁷ Based on the Silvercorp Share's volumed weighted average market price of US\$2.41 in the ordinary course of trading during the two full trading days of 9 January 2024 and 10 January 2024 on the NYSE American and the AUD:USD exchange rate of 1.495 as at 10 January 2024.

#	Question	Answer	Further information
		Silvercorp has agreed that, within 3 Business Days after both the Minimum Acceptance Condition and the Stock Exchange Approval Condition are satisfied, it will waive all Offer Conditions other than any Offer Condition in respect of which Silvercorp has publicly announced a breach or suspected breach before that time. OreCorp Shareholders should be aware that Silvercorp has announced that the No Regulatory Action Condition will be breached if the FCC does not determine that the Existing Approval is valid for the change of control of OreCorp associated with the Offer, and does not grant a new approval in relation to the Offer.	
8	What happens if the Offer Conditions are not satisfied?	If the Offer Conditions are not satisfied or waived at the end of the Offer Period, then the Offer will lapse and your acceptance will be void. You will continue to hold your OreCorp Shares and be free to deal with your OreCorp Shares as if the Offer had not been made.	Clause and 7.3 of the Offer Terms in Appendix 1
9	Do the OreCorp Directors support the Offer?	OreCorp Directors unanimously recommend that OreCorp Shareholders accept the Offer in the absence of a Superior Proposal and subject to the Independent Expert concluding, and continuing to conclude, that the Offer is reasonable to OreCorp Shareholders.	Section 1.1
10	What will the OreCorp Directors be doing in relation to their OreCorp Shares?	The OreCorp Directors intend to accept the Offer in respect of the OreCorp Shares they hold or control on the Acceptance Date in the absence of a Superior Proposal and subject to the Independent Expert concluding, and continuing to conclude, that the Offer is reasonable to OreCorp Shareholders.	Section 1.1
11	What happens if I accept and then Silvercorp increases the Offer Consideration?	<p>In the absence of an alternative proposal being announced, the value you receive will not be increased.</p> <p>If Silvercorp improves the Offer Consideration, all OreCorp Shareholders who accept the Offer (whether they have accepted the Offer before or after improvement of the Offer Consideration) will be entitled to receive the benefit of the improved Offer Consideration, should the Offer become or be declared unconditional.</p>	

#	Question	Answer	Further information
12	What choices do I have as an OreCorp Shareholder?	<p>As an OreCorp Shareholder, you have the following choices in respect of your OreCorp Shares:</p> <ul style="list-style-type: none"> • accept the Offer; • sell your OreCorp Shares on the ASX (unless you have already accepted the Offer for your OreCorp Shares); or • do nothing. 	
13	How do I accept the Offer?	To accept the Offer, you should follow the instructions set out in clause 4 of Appendix 1 and instructions on your personalised Acceptance Form which accompanies this Bidder's Statement.	<p>Clause 4 of the Offer Terms in Appendix 1</p> <p>Your personalised Acceptance Form</p>
14	When will I receive the Offer Consideration?	If you accept the Offer, Silvercorp will pay you (other than an Eligible Foreign Shareholder or an Unmarketable Parcel Shareholders) the Offer Consideration on or before 10 Business Days after the later of receipt of your acceptance and the date on which the Offer becomes unconditional.	<p>Section 3.1</p> <p>Clause 6 of the Offer Terms in Appendix 1</p>
15	Can I accept the Offer for part of my holding?	No. You cannot accept the Offer for part of your holding. You may only accept the Offer for all of the OreCorp Shares held by you.	Clause 4.2 of the Offer Terms in Appendix 1
16	Will my Silvercorp Shares be quoted on the ASX?	<p>No, as Silvercorp is not listed on the ASX. Silvercorp is listed on the TSX and NYSE American.</p> <p>The Offer is subject to a Stock Exchange Approvals Condition. Silvercorp has applied for the New Silvercorp Shares issuable under the Offer to be quoted on the TSX and NYSE American. Subject to the Stock Exchange Approvals Condition being satisfied, quotation of these New Silvercorp Shares will commence as soon as practicable after the relevant New Silvercorp Shares are issued.</p> <p>Silvercorp continues to explore the possibility of being admitted to the official list of ASX, and if that occurs, holders of Silvercorp Shares will be able to convert their Silvercorp Shares into Silvercorp CDIs which will be tradeable on the ASX.</p>	<p>Clause 5 of the Offer Terms in Appendix 1</p> <p>Section 7.2(c)</p>

#	Question	Answer	Further information
17	What rights will my Silvercorp Shares have?	The Silvercorp Shares issued under this Offer will be issued fully paid and will from the time of issue rank equally with existing Silvercorp Shares.	Section 5.4 Clause 2.4 of the Offer Terms in Appendix 1
18	Can I withdraw my acceptance?	Under the Offer Terms, you cannot withdraw your acceptance unless a withdrawal right arises under the Corporations Act. Such a withdrawal right will arise if, after you have accepted the Offer, Silvercorp varies the Offer in a way that postpones, for more than one month, the time when Silvercorp has to meet its obligations under the Offer (eg. if Silvercorp extends the Offer for more than 1 month while the Offer remains conditional).	Clause 8.1 of the Offer Terms in Appendix 1
19	What are the consequences of accepting the Offer now?	Once you have validly accepted the Offer you will not be able to sell your OreCorp Shares on market, accept any other offer or otherwise deal with your OreCorp Shares even if a Superior Proposal is subsequently made by a Third Party. You will also no longer be entitled to any Rights declared, paid, made, accrued or which may arise in the future.	Clause 8 of Appendix 1
20	Are there any risks in accepting the Offer?	If you accept the Offer and the Offer becomes or is declared unconditional, you will be issued with Silvercorp Shares as part of the Offer Consideration (unless you are an Ineligible Foreign Shareholder or an Unmarketable Parcel Shareholder). There are a number of risk factors associated with an investment in Silvercorp Shares and with the Offer itself.	Section 10
21	What happens if I do not accept the Offer?	<p>If you do not accept the Offer and Silvercorp acquires a Relevant Interest in at least 90% of OreCorp Shares and the other conditions of the Offer are satisfied or waived, Silvercorp intends to proceed to compulsorily acquire outstanding OreCorp Shares. If this occurs, you will receive the Offer Consideration for each of your OreCorp Shares at the conclusion of this process. You will receive the Offer Consideration sooner if you accept the Offer, rather than being compulsorily acquired.</p> <p>If the Offer becomes or is declared unconditional but Silvercorp does not become entitled to compulsorily acquire your OreCorp Shares, you will remain a</p>	Sections 7

#	Question	Answer	Further information
		shareholder of OreCorp. In these circumstances and, depending on the number of OreCorp Shares acquired by Silvercorp, as a result of the Offer you may be a minority shareholder in what may be a less liquid stock. Silvercorp will seek to have OreCorp delisted from the ASX if relevant conditions required by ASX are met. If delisting occurs, your OreCorp Shares will no longer be quoted or able to be traded on the ASX.	
22	Can I sell my OreCorp Shares on the ASX?	Yes, you may sell your OreCorp Shares, but you may incur brokerage costs if you do. If you have already accepted the Offer, you will be unable to settle any subsequent sale of your OreCorp Shares, unless you are entitled to withdraw your acceptance in accordance with the terms of the Offer.	
23	Does Silvercorp currently have a Relevant Interest in OreCorp?	Yes, as at the date of this Bidder's Statement, Silvercorp has a Relevant Interest in 15.74% of the OreCorp Shares.	Section 12.4
24	How is the Offer being funded?	<p>The Offer Consideration comprises of A\$0.19 cash and 0.0967 Silvercorp Shares for each OreCorp Share.</p> <p>The cash component of the Offer Consideration will be funded from existing cash reserves of Silvercorp. As at 30 September 2023, Silvercorp had cash and cash equivalents of US\$119,098,000, exceeding the maximum aggregated Cash Consideration payable by Silvercorp under the Offer.</p>	Section 9
25	What are the tax implications of accepting this Offer?	Section 11 contains an overview of the Australian taxation implications of accepting this Offer. However, this information is general only and does not take account of your personal circumstances. Silvercorp recommends you seek independent professional advice in relation to your own particular circumstances.	Section 11
26	Will I need to pay brokerage or stamp duty if I accept the Offer?	<p>If your OreCorp Shares are registered in an Issuer Sponsored Holding in your name and you deliver them directly to Silvercorp, you will not incur any brokerage connected with you accepting the Offer.</p> <p>If your OreCorp Shares are in a CHESS Holding or you hold your OreCorp Shares</p>	<p>Section 11</p> <p>Clause 6 of the Offer Terms in Appendix 1</p>

#	Question	Answer	Further information
		<p>through a bank, custodian or other nominee, you should ask your Controlling Participant (usually, your Broker or the bank, custodian or other nominee) whether it will charge any transaction fees or service charges connected with you accepting the Offer.</p> <p>If you are an Ineligible Foreign Shareholder or an Unmarketable Parcel Shareholder, the cash proceeds that you will receive (following the sale by the Nominee of the Silvercorp Shares that you would otherwise be entitled to receive under the Offer) will be net of transaction costs.</p>	
27	Where to go if I have any questions?	<p>If you have any questions in relation to the Offer, please call the Silvercorp Information Line on 1300 290 691 (within Australia) or +61 2 9066 4081 (outside Australia) between 9:00am and 5:30pm (Sydney time) Monday to Friday, excluding public holidays in Sydney. This line will only be open from the date the Offer opens until one week after it closes.</p>	

3 Overview of the Offer

The following is a summary only of the Offer and is qualified by the detailed information contained in the rest of this Bidder's Statement. You should read this Bidder's Statement in full before deciding how to deal with your OreCorp Shares.

The terms and conditions of the Offer are contained in Appendices 1 and 2.

3.1 Summary of the Offer terms and conditions

Offer

Silvercorp offers to acquire all of your OreCorp Shares on the Offer Terms set out in Appendices 1 and 2. You will receive \$0.19 cash and 0.0967 Silvercorp Shares for every OreCorp Share acquired from you.

The Offer relates to OreCorp Shares that exist or will exist as at the Register Date, being 7.00pm (Sydney time) on 27 December 2023.

The Offer also extends to all OreCorp Shares that are issued between that date and the end of the Offer Period as a result of exercise of OreCorp Performance Rights and OreCorp Options that exist on the Register Date.

Silvercorp is not offering to acquire any OreCorp Options under the Offer. Instead, in accordance with the terms of the Bid Implementation Deed, Silvercorp has agreed to make an offer to each holder of OreCorp Options for the acquisition of their OreCorp Options in exchange for the Ascribed Value applicable to the relevant OreCorp Option.

If you are an Ineligible Foreign Shareholder or an Unmarketable Parcel Shareholder you will not receive Silvercorp Shares (see section 3.3).

Offer Period

The Offer is scheduled to close at 7.00pm (Sydney time) on 23 February 2024 (but it may be extended).

Payment Date

If you accept the Offer in accordance with the instructions contained in the Offer and your personalised Acceptance Form, and you are not an Ineligible Foreign Shareholder or an Unmarketable Parcel Shareholder, you will be provided with the Offer Consideration on or before 10 Business Days after the later of receipt of your acceptance and the date on which the Offer becomes unconditional, provided that all relevant documents have been received and correctly completed.

Offer Conditions

The Offer is subject to a limited number of conditions as set out in Appendix 2 to this Bidder's Statement, including:

- (a) a 50.1% Minimum Acceptance Condition;
- (b) a Stock Exchange Approvals Condition ;
- (c) No Regulatory Action Condition;
- (d) no Material Adverse Change;
- (e) no Prescribed Occurrences occurring; and

- (f) no other prescribed events occurring.

This is only a summary of the Offer Conditions. The Offer Conditions are set out in full in Appendix 2.

In relation to the Stock Exchange Approvals Condition, Silvercorp has already submitted its application to the TSX and NYSE American for the granting of quotation of the New Silvercorp Shares issuable under the Offer.

Silvercorp has agreed that, in accordance with the terms of the Bid Implementation Deed, within 3 Business Days after both the Minimum Acceptance Condition and the Stock Exchange Approvals Condition are satisfied, it will waive all Offer Conditions other than any Offer Condition in respect of which Silvercorp has publicly announced a breach or suspected breach before that time. OreCorp Shareholders should be aware that Silvercorp has announced that the No Regulatory Action Condition will be breached if the FCC does not determine that the Existing Approval is valid for the change of control of OreCorp associated with the Offer, and does not grant a new approval in relation to the Offer (see Section 12.7).

If the Offer Conditions are not satisfied or waived then the Offer will not proceed.

3.2 How to accept the Offer?

Acceptances for the Offer must be received in sufficient time to be acted upon before the close of the Offer Period. To accept the Offer you should follow the instructions set out in clause 4 of Appendix 1 and the Acceptance Form.

3.3 How will Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders be treated?

Generally speaking, if your address on OreCorp's Register is in a jurisdiction other than Australia, New Zealand, the United Kingdom or Canada or if you are a US Purchaser, you will be considered an Ineligible Foreign Shareholder.

If you are an Ineligible Foreign Shareholder or an Unmarketable Parcel Shareholder, you are entitled to accept the Offer just like any other OreCorp Shareholder. Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders that accept the Offer will not receive Silvercorp Shares. Rather, the Silvercorp Shares that Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders would have been entitled to receive will be issued to, and sold by, the Nominee and the net cash proceeds attributable to each Ineligible Foreign Shareholder and Unmarketable Parcel Shareholder will be paid to them in Australian dollars.

Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders should read clause 6.3 of the Offer Terms of Appendix 1, which provides further information on this process.

3.4 What will the tax consequences be?

Section 11 provides an overview of the tax implications for OreCorp Shareholders who accept the Offer. The information applies to Australian resident OreCorp Shareholders who hold their OreCorp Shares on capital account. Note that this information is general only and does not take into account your personal circumstances. In addition, Silvercorp recommends you seek independent professional advice in relation to your own particular circumstances.

3.5 Further information

If you have any questions in relation to the Offer or how to accept it, or if you have lost your personalised Acceptance Form and require a replacement, please call the Silvercorp Information Line on 1300 290 691 (within Australia) or +61 2 9066 4081 (outside Australia) between 9:00am and 5:30pm (Sydney time) Monday to Friday, excluding public holidays in Sydney. This line will be open from the date the Offer opens until one week after it closes.

4 Information about Silvercorp

4.1 Overview

Silvercorp is a Vancouver based Canadian mining company producing silver, gold, lead, zinc and other metals with a long history of profitability and growth. Silvercorp's strategy is to create shareholder value by focusing on generating free cashflow from long life mines, organic growth through extensive drilling for discovery, ongoing merger and acquisition efforts to unlock value, and long-term commitment to responsible mining and sound environmental, social and governance (**ESG**) practices. Further details of Silvercorp's approach to environmental, social and governance management can be found in its Sustainability Report which is available on the Silvercorp's website at <https://silvercorpmetals.com/reporting/>.

Silvercorp was formed in British Columbia, Canada as Spokane Resources Ltd pursuant to an amalgamation of Julia Resources Corporation and MacNeill International Industries Inc. on October 31, 1991. The name of the company was changed to "Silvercorp Metals Inc." on 2 May 2005. Silvercorp was admitted to TSX on 24 October 2005 and the NYSE American on or around 15 May 2017 (both under the symbol "SVM").

Silvercorp has interests in mineral properties located in China and Mexico, with its main assets being several silver-lead-zinc mines at the Ying Mining District in Henan Province, China (**Ying Mining District**) and the Gaocheng silver-lead-zinc mine in Guangdong Province, China (**GC Mine**).

Silvercorp has been acquiring, exploring, developing, and operating mineral properties in China since 2003. Production at the SGX Mine at the Ying Mining District commenced on 1 April 2006 and the SGX Mine achieved profitability during the first year commercial mining operation in fiscal year 2007. Since that time, several of Silvercorp's other mining properties at the Ying Mining District have commenced production. The GC Mine commenced production in July 2014.

Silvercorp's principal products and its sources of sales are silver-bearing lead and zinc concentrates. At present, Silvercorp sells all its products to local smelters or companies in the mineral products trading business.

4.2 Key business operations

Silvercorp's material properties consist of two producing mines, at the Ying Mining District in Henan Province, China and the GC Mine located in Guangdong Province, China.

The information contained in this section 4.2 was prepared in accordance with Canadian National Instrument 43-101 – Standards of Disclosure for Mineral Projects (**NI 43-101**) and the Canadian Institute of Mining, Metallurgy and Petroleum (**CIM**) – CIM Definition Standards for Mineral Resources and Mineral Reserves, adopted by the CIM Council, as amended (**CIM Standards**). Accordingly, the mineral resources and mineral reserves estimates for Silvercorp were prepared using the CIM Standards and do not purport to be reported in accordance with or otherwise compliant with the JORC Code. Because the estimates have not been prepared in accordance with the JORC Code, they are classified as "foreign estimates" under the ASX Listing Rules. However, Silvercorp notes the similarity of the CIM Standards and the JORC Code. For further information about relevant terms applicable to, and the similarities between, the JORC Code and NI 43-101, see section 12.9.

In relation to the reliability of the foreign estimates of CIM Mineral Resources and CIM Mineral Reserves (of Silvercorp) contained in this Bidder's Statement, it should be noted that:

- the foreign estimates are not reported in accordance with the JORC Code;
- a Competent Person has not done sufficient work to classify the foreign estimates as Mineral Resources or Ore Reserves in accordance with the JORC Code;

- it is currently uncertain whether, following evaluation and/or further exploration work, these foreign estimates will be able to be reported as Mineral Resources or Ore Reserves in accordance with the JORC Code; and
- these foreign estimates have not been published with all the supporting data and such foreign estimates have not been verified by independent third parties.

See the disclosures required by ASX Listing Rule 5.12 in section 4.2(c). For further information about the reporting standards applicable to Silvercorp, see section 12.9.

(a) **Ying Mining District**

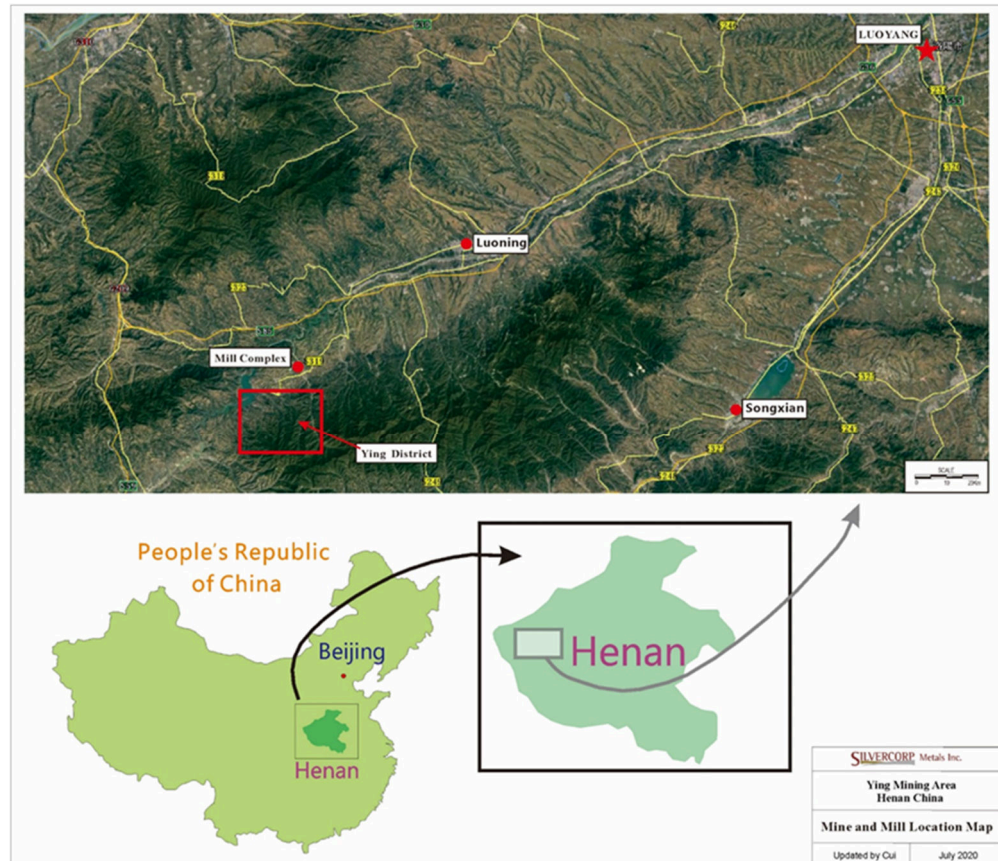
Except as otherwise stated, technical information in relation to the Ying Mining District in this Bidder's Statement is based on the latest Technical Report titled "*NI 43-101 Technical Report Update on the Ying Ag-Pb-Zn Property in Henan Province, People's Republic of China*" (the **Ying 2022 Technical Report**), effective date 20 September 2022, and prepared by AMC Mining Consultants (Canada) Ltd. (**AMC**) with report date 3 November 2022 (and released on SEDAR+ on 4 November 2022), and was restated in Silvercorp's Annual Information Form dated 1 June 2023 for the Fiscal Year ended 31 March 2023.

Portions of the following information are based on the assumptions, qualifications and procedures described in the Ying 2022 Technical Report, which are not fully described in this Bidder's Statement. The full text of the Ying 2022 Technical Report is available for review on SEDAR+ at www.sedarplus.ca.

Location and history

The Ying Mining District is about 240 km west-southwest of Zhengzhou, the capital city of Henan Province, China, and 145 km *south-west* of Luoyang, which is the nearest major city. The nearest small city to the Ying Mining District area is Luoning, about 56 km by paved roads from the Ying Mining District mill site, which is located to the north of the mining licence areas.

Location of the Ying Mining District



Silver-lead-zinc mineralisation in the Ying Mining District has been known and intermittently mined for several hundred years. The first systematic geological prospecting and exploration was initiated in 1956 by the Chinese government.

Silvercorp acquired an interest in the SGX Mine in 2004. Subsequently, Silvercorp acquired the HZG Mine, HPG Mine, TLP Mine, LME Mine, LMW Mine, and DCG Mine, all of which were previously held and operated by private Chinese companies.

Mining licences and ownership

The Ying Mining District consists of seven mines:

- a flagship silver-lead-zinc project (the **SGX Mine**) and a satellite silver-lead mine (the **HZG Mine**) located approximately 5km south of the SGX Mine;
- a silver-lead mine in Tieluping (the **TLP Mine**) approximately 11km southeast of the SGX Mine;
- a silver-gold-lead-zinc mine in Haopinggou (the **HPG Mine**) northeast of the SGX Mine;
- a silver-lead-zinc mine in Longmen East (the **LME Mine**) approximately 12km to southeast of the SGX Mine;
- a silver-lead-zinc mine in Longmen West (the **LMW Mine**) approximately 2.4km to the west of the LME Mine; and
- a development project in Dong Cao Gou (the **DCG Mine**).

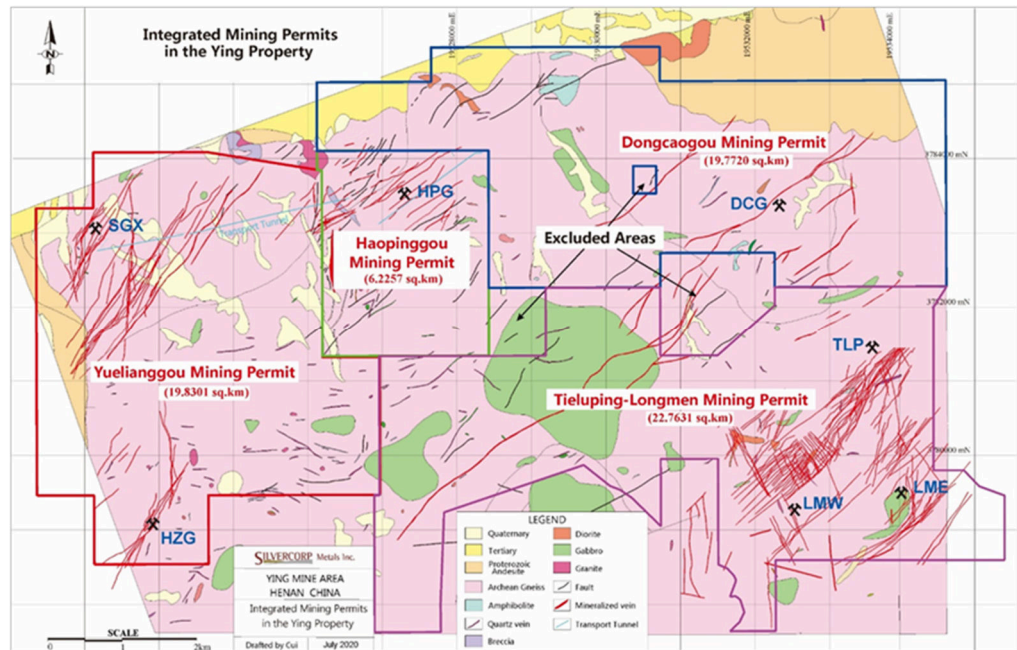
The Ying Mining District consists of four continuous mining licences, totalling an area of 68.6km²:

- Yuelianggou Mining License: SGX & HZG Mines (19.8 km²);
- Haopinggou Mining License: HPG Mine (6.2 km²);
- Tieluping-Longmen Mining License: TLP, LME, and LMW Mines (22.8km²); and
- Dongcaogou Mining License: DCG Mine (19.8km²).

All four mining licences are held by Henan Found Mining Co., Ltd. (**Henan Found**), a Sino-Foreign Cooperative Joint Venture Enterprise registered under Chinese law. Silvercorp holds (through its wholly-owned subsidiary Victor Mining Ltd) a 77.5% interest in Henan Found with the remaining 22.5% interest held by Henan Non-Ferrous Geology Minerals Ltd and its Related Entity Henan Xinxiangrong Mining Ltd. Henan Huawei Mining Co. Ltd. (**Henan Huawei**), another Sino-Foreign Cooperative Joint Venture Enterprise registered under Chinese law and controlled by Silvercorp, is the 100% beneficial owner of the HPG Mine and the LME Mine, through an ore purchase agreement between Henan Huawei and Henan Found. Silvercorp holds (through its wholly-owned subsidiary Victor Resources Ltd) an 80% interest in Henan Huawei. See section 4.3 for further information on Silvercorp's corporate structure.

Ying Mining District Mining Licences

Area and licence name	Mine	Mining licence number	Sq km	Expiry date	Registered licence holder
Yuelianggou lead-zinc-silver mine	SGX Mine and HZG Mine	C4100002009093210038549	19.8301	September 2024	Henan Found
Haopinggou lead-zinc-silver-gold mine	HPG Mine	C4100002016043210141863	6.2257	29 April 2028	Henan Found
Tieluping-Longmen silver-lead mine	TLP Mine, LME Mine and LMW Mine	C4100002016064210142239	22.7631	26 February 2041	Henan Found
Dongcaogou gold-silver mine	DCG Mine	C4100002015064210138848	19.772	15 June 2025	Henan Found



In addition, mining is only permitted between prescribed elevations as follows:

- Yuelianggou mining licence – 1,060m and 0m elevations;
- Haopinggou mining licence – 955m and the 365m elevations;
- Tieluping-Longmen mining licence – 1,250m and the 700m elevations; and
- Dongcaogou mining licence – 1,087m and the 605m elevations.

Henan Found has engaged an accredited geological team to prepare the reports needed to apply for extensions of the four mining permits to mine the ores below the current permits' lower limits.

Mining licences are subject to mining-right usage fees, and applicable taxes. The renewal of mining licences and extending of mining depth and boundaries occur in the ordinary course of business as long as mineral resources exist, are defined, the required documentation is submitted, and the applicable government resources taxes and fees are paid. The mining licences give the right to carry out full mining and mineral processing operations in conjunction with safety and environmental certificates. Safety certificates for Silvercorp's mining activities have been issued by the Department of Safety, Production and Inspection of Henan Province. Environmental certificates have been issued by the Department of Environmental Protection of Henan Province.

Surface rights for mining purposes are not included in the licences, but Silvercorp has acquired or leased surface rights for mining and milling activities by effecting payment of a fee based on the appraised value of the land or negotiation. Subject to negotiation, some land use compensation fees may also be due to the local farmers if their agricultural land is disturbed by exploratory work.

Production

The Ying Mining District is Silvercorp's primary source of production.

In fiscal year ending 31 March 2023 (**Fiscal 2023**):

- metals produced at the Ying Mining District were approximately 6.0 million ounces of silver, 4,400 ounces of gold, 60.3 million pounds of lead, and 7.2

million pounds of zinc, up 9%, 29%, 10%, and 6%, respectively, compared to 5.5 million ounces of silver, 3,400 ounces of gold, 54.9 million pounds of lead, and 6.8 million pounds of zinc in the fiscal year ending 31 March 2022 (**Fiscal 2022**); and

- average head grades of ore processed were 261 g/t for silver, 3.8% for lead, and 0.7% for zinc compared to 272 g/t for silver, 3.9% for lead, and 0.8% for zinc in Fiscal 2022.

In Fiscal 2023, the mining costs at the Ying Mining District were US\$78.63 per tonne, while the milling costs were US\$11.76 per tonne. The production costs per tonne of ore processed were US\$94.07, while the all-in sustaining costs per tonne of ore processed was US\$146.59. The cash costs per ounce of silver, net of by-product credits, at the Ying Mining District were US\$0.88. The all-in sustaining cost to produce an ounce of silver, net of by-product credits was US\$8.29.

CIM Mineral Resources

CIM Mineral Resources by mine for the Ying Mining District as of 31 December 2021 are presented in the table below. These estimates incorporate silver and lead in all deposits, zinc in select deposits and gold within select veins at select deposits. CIM Mineral Resources are reported above a cut-off grade (**COG**) based on in-situ values in AgEq terms in g/t. COGs incorporate mining, processing, and general and administrative costs which were provided by Silvercorp for each mine and reviewed by the QP for CIM Mineral Reserves. The AgEq formula and COG applied to each mine are noted in the footnotes of the table below.

Ying Mining District CIM Mineral Resources as of 31 December 2021

Mine	Resource category	Tonnes (Mt)	Au grade (g/t)	Ag grade (g/t)	Pb grade (%)	Zn grade (%)	Au metal (koz)	Ag metal (Moz)	Pb metal (kt)	Zn metal (kt)
SGX	Measured	3.51	0.05	290	5.56	2.75	5.48	32.81	195.38	96.62
	Indicated	3.13	0.01	247	4.67	2.17	0.57	24.86	146.14	68.04
	Meas + Ind	6.64	0.03	270	5.14	2.48	6.05	57.66	341.52	164.66
	Inferred	3.98	0.01	232	4.63	1.93	0.70	29.75	184.30	76.79
HZG	Measured	0.51	-	372	1.20	-	-	6.15	6.18	-
	Indicated	0.51	-	358	0.91	-	-	5.91	4.68	-
	Meas + Ind	1.03	-	365	1.06	-	-	12.06	10.86	-
	Inferred	0.55	-	326	0.83	-	-	5.75	4.55	-
HPG	Measured	0.77	1.37	94	3.87	1.40	33.91	2.31	29.73	10.72
	Indicated	0.92	1.60	68	3.17	1.22	47.36	2.01	29.22	11.26
	Meas + Ind	1.69	1.50	80	3.49	1.30	81.27	4.32	58.95	21.98
	Inferred	1.45	2.61	91	3.43	1.20	121.87	4.26	49.78	17.43
TLP	Measured	2.45	-	221	3.43	-	-	17.41	83.93	-
	Indicated	2.01	-	189	3.08	-	-	12.16	61.84	-
	Meas + Ind	4.46	-	206	3.27	-	-	29.58	145.77	-
	Inferred	3.76	-	180	2.86	-	-	21.78	107.46	-
LME	Measured	0.45	0.10	357	1.73	0.35	1.45	5.11	7.71	1.54
	Indicated	1.02	0.22	315	1.67	0.42	7.17	10.35	17.06	4.30
	Meas + Ind	1.47	0.18	327	1.69	0.40	8.62	15.46	24.77	5.85
	Inferred	1.49	0.65	221	1.45	0.41	30.86	10.55	21.58	6.03
LMW	Measured	0.94	0.21	325	2.63	-	6.45	9.78	24.65	-
	Indicated	2.16	0.36	232	2.04	-	24.84	16.12	43.91	-
	Meas + Ind	3.09	0.31	260	2.22	-	31.28	25.90	68.56	-
	Inferred	1.51	0.07	235	2.36	-	3.63	11.39	35.52	-
DCG	Measured	0.15	2.57	75	1.19	0.30	12.67	0.37	1.82	0.46
	Indicated	0.20	3.33	101	2.26	0.20	21.50	0.65	4.54	0.39
	Meas + Ind	0.35	3.00	90	1.80	0.24	34.17	1.02	6.36	0.85
	Inferred	0.32	1.44	98	2.70	0.21	14.77	1.00	8.58	0.67
All	Measured	8.78	0.21	262	3.98	1.25	59.96	73.94	349.40	109.34
	Indicated	9.95	0.32	225	3.09	0.84	101.44	72.06	307.39	83.99
	Meas + Ind	18.73	0.27	242	3.51	1.03	161.40	146.01	656.79	193.34
	Inferred	13.05	0.41	201	3.15	0.77	171.83	84.46	411.77	100.92

Notes:

- Measured and Indicated CIM Mineral Resources are inclusive of CIM Mineral Reserves.
- Metal prices: gold US\$1,450/roy oz, silver US\$18.60/roy oz, lead US\$0.95/lb, zinc US\$1.10/lb.
- Exchange rate: RMB 6.50: US\$1.00.
- CIM Mineral Resource reported 5 m below surface.
- Veins factored to minimum extraction width of 0.4 m after estimation.
- Cut-off grades: SGX 170 g/t AgEq; HZG 170 g/t AgEq; HPG 180 g/t AgEq; TLP 155 g/t AgEq; LME 180 g/t AgEq; LMW 160 g/t AgEq; DCG 155 g/t AgEq.
- AgEq equivalent formulas by mine:
 - $SGX = Ag\ g/t + 37.79 * Pb\% + 20.76 * Zn\%$
 - $HZG = Ag\ g/t + 36.31 * Pb\%$
 - $HPG = Ag\ g/t + 69.41 * Au\ g/t + 36.84 * Pb\% + 24.73 * Zn\%$
 - $TLP = Ag\ g/t + 36.65 * Pb\%$
 - $LME = Ag\ g/t + 35.84 * Pb\% + 10.44 * Zn\%$
 - $LMW = Ag\ g/t + 36.88 * Pb\%$
 - $DCG = Ag\ g/t + 36.84 * Pb\% + 24.73 * Zn\%$
- AgEq formulas used for significant gold bearing veins:
 - $SGX\ (Veins\ S16W_Au,\ S18E\ and\ S74) = Ag\ g/t + 66.25 * Au\ g/t + 37.79 * Pb\% + 20.76 * Zn\%$
 - $LME\ (Vein\ LM4E2) = Ag\ g/t + 66.70 * Au\ g/t + 35.84 * Pb\% + 10.44 * Zn\%$
 - $LMW\ (Veins\ LM22,\ LM26,\ LM50\ and\ LM51) = Ag\ g/t + 65.78 * Au\ g/t + 36.88 * Pb\%$
 - $DCG\ (Veins\ C9,\ C76) = Ag\ g/t + 69.41 * Au\ g/t + 36.84 * Pb\% + 24.73 * Zn\%$
- Exclusive of mine production to 31 December 2021.

- Numbers may not compute exactly due to rounding.

CIM Mineral Reserves

Summaries of CIM Mineral Reserve estimates for the Ying Mining District are set out in the table below. 46.9% of the CIM Mineral Reserve tonnage is categorized as Proven and 53.1% is categorized as Probable.

Ying Mining District CIM Mineral Reserve estimates for 31 December 2021

Mine	Category	Mt	Au (g/t)	Ag (g/t)	Pb (%)	Zn (%)	Metal contained in Mineral Reserves			
							Au (koz)	Ag (Moz)	Pb (kt)	Zn (kt)
SGX	Proven	2.62	0.05	267	5.12	2.46	4.0	22.53	134.1	64.5
	Probable	2.61	0.00	230	4.41	1.90	0.3	19.33	115.2	49.7
Total Proven & Probable		5.23	0.03	249	4.76	2.18	4.2	41.86	249.3	114.2
HZG	Proven	0.37	-	350	1.08	-	-	4.17	4.0	-
	Probable	0.36	-	347	0.77	-	-	4.06	2.8	-
Total Proven & Probable		0.73	-	348	0.93	-	-	8.23	6.8	-
HPG	Proven	0.35	1.41	89	3.38	1.39	15.8	1.00	11.7	4.8
	Probable	0.44	1.80	59	2.76	1.04	25.7	0.85	12.2	4.6
Total Proven & Probable		0.79	1.63	73	3.03	1.19	41.5	1.85	24.0	9.4
TLP	Proven	1.55	-	219	3.15	-	-	10.94	49.0	-
	Probable	1.02	-	204	2.91	-	-	6.70	29.7	-
Total Proven & Probable		2.58	-	213	3.05	-	-	17.64	78.7	-
LME	Proven	0.23	0.16	349	1.59	0.32	1.2	2.62	3.7	0.7
	Probable	0.68	0.30	316	1.62	0.40	6.6	6.91	11.0	2.7
Total Proven & Probable		0.91	0.27	325	1.61	0.38	7.9	9.53	14.7	3.4
LMW	Proven	0.57	0.33	321	2.27	-	6.0	5.86	12.9	-
	Probable	1.29	0.55	242	1.87	-	23.0	10.06	24.1	-
Total Proven & Probable		1.86	0.48	266	1.99	-	28.9	15.92	37.0	-
DCG	Proven	0.09	2.41	73	1.38	0.28	6.8	0.20	1.2	0.2
	Probable	0.13	3.84	104	1.87	0.15	15.4	0.42	2.3	0.2
Total Proven & Probable		0.21	3.25	91	1.67	0.20	22.2	0.62	3.5	0.4
Ying Mines	Proven	5.78	0.18	255	3.75	1.22	33.8	47.32	216.6	70.3
	Probable	6.54	0.34	230	3.02	0.87	70.9	48.32	197.5	57.2
Total Proven & Probable		12.32	0.26	241	3.36	1.03	104.7	95.65	414.1	127.5

Mine	Category	Mt	Au (g/t)	Ag (g/t)	Pb (%)	Zn (%)	Metal contained in Mineral Reserves			
							Au (koz)	Ag (Moz)	Pb (kt)	Zn (kt)
SGX	Proven	2.62	0.05	267	5.12	2.46	4.0	22.53	134.1	64.5
	Probable	2.61	0.00	230	4.41	1.90	0.3	19.33	115.2	49.7
Total Proven & Probable		5.23	0.03	249	4.76	2.18	4.2	41.86	249.3	114.2
HZG	Proven	0.37	-	350	1.08	-	-	4.17	4.0	-
	Probable	0.36	-	347	0.77	-	-	4.06	2.8	-
Total Proven & Probable		0.73	-	348	0.93	-	-	8.23	6.8	-
HPG	Proven	0.35	1.41	89	3.38	1.39	15.8	1.00	11.7	4.8
	Probable	0.44	1.80	59	2.76	1.04	25.7	0.85	12.2	4.6
Total Proven & Probable		0.79	1.63	73	3.03	1.19	41.5	1.85	24.0	9.4
TLP	Proven	1.55	-	219	3.15	-	-	10.94	49.0	-
	Probable	1.02	-	204	2.91	-	-	6.70	29.7	-
Total Proven & Probable		2.58	-	213	3.05	-	-	17.64	78.7	-
LME	Proven	0.23	0.16	349	1.59	0.32	1.2	2.62	3.7	0.7
	Probable	0.68	0.30	316	1.62	0.40	6.6	6.91	11.0	2.7
Total Proven & Probable		0.91	0.27	325	1.61	0.38	7.9	9.53	14.7	3.4
LMW	Proven	0.57	0.33	321	2.27	-	6.0	5.86	12.9	-
	Probable	1.29	0.55	242	1.87	-	23.0	10.06	24.1	-
Total Proven & Probable		1.86	0.48	266	1.99	-	28.9	15.92	37.0	-
DCG	Proven	0.09	2.41	73	1.38	0.28	6.8	0.20	1.2	0.2
	Probable	0.13	3.84	104	1.87	0.15	15.4	0.42	2.3	0.2
Total Proven & Probable		0.21	3.25	91	1.67	0.20	22.2	0.62	3.5	0.4
Ying Mines	Proven	5.78	0.18	255	3.75	1.22	33.8	47.32	216.6	70.3
	Probable	6.54	0.34	230	3.02	0.87	70.9	48.32	197.5	57.2
Total Proven & Probable		12.32	0.26	241	3.36	1.03	104.7	95.65	414.1	127.5

Notes:

- *Cut off grades (AgEq g/t): SGX – 235 Resuing, 195 Shrinkage; HZG – 245 Resuing, 195 Shrinkage; HPG – 260 Resuing, 200 Shrinkage; TLP – 225 Resuing, 190 Shrinkage; LME – 265 Resuing, 225 Shrinkage; LMW – 245 Resuing, 200 Shrinkage; DCG-225 Resuing, 190 Shrinkage.*
- *Stope Marginal cut off grades (AgEq g/t): SGX – 210 Resuing, 170 Shrinkage; HZG – 210 Resuing, 160 Shrinkage; HPG – 235 Resuing, 175 Shrinkage; TLP – 205 Resuing, 170 Shrinkage; LME – 210 Resuing, 170 Shrinkage; LMW – 205 Resuing, 160 Shrinkage; DCG – 205 Resuing, 170 Shrinkage.*
- *Development Ore cut off grades (AgEq g/t): SGX – 130; HZG – 125; HPG – 150; TLP – 125; LME – 125; LMW – 125; DCG – 125.*
- *Unplanned dilution (zero grade) assumed as 0.05m on each wall of a resuing stope and 0.10m on each wall of a shrinkage stope.*
- *Mining recovery factors assumed as 95% for resuing and 92% for shrinkage.*
- *Metal prices: gold US\$1,450/troy oz, silver US\$18.60/troy oz, lead US\$0.95/lb, zinc US\$1.10/lb.*
- *Processing recovery factors: SGX 91.5% Au, 95.9% Ag, 97.6% Pb, 60.0% Zn; HZG 96.8% Ag, 94.7% Pb; HPG 91.5% Au, 91.5% Ag, 90.8% Pb, 68.3% Zn; TLP 92.9% Ag, 91.7% Pb; LME 91.5% Au, 95.2% Ag, 92.0% Pb, 30.0% Zn; LMW 91.5% Au, 96.5% Ag, 95.9% Pb; DCG 91.5% Au, 91.5% Ag, 90.8% Pb, 68.3% Zn.*
- *Payables: Au 81%; Ag 91.0%; Pb 96.4%; Zn 74.4%.*
- *Exclusive of mine production to 31 December 2021.*
- *Exchange rate assumed is RMB 6.50: US\$1.00.*
- *Numbers may not compute exactly due to rounding.*

The CIM Mineral Reserve estimation assumes that current predominant stoping practices will continue to be employed at the Ying Mining District, namely cut and fill resuing and shrinkage stoping for most veins, using hand-held drills (jacklegs) and hand-mucking within stopes, and loading to mine cars by rocker-shovel or by hand. The largely sub-vertical veins, generally competent ground, reasonably regular vein width, and hand-mining techniques using short rounds, allows a significant degree of selectivity and control in the stoping process. Minimum mining widths of 0.5 m for resuing and 1.0 m for shrinkage are assumed.

Total Ying Mining District CIM Mineral Reserve tonnes are approximately 66% of CIM Mineral Resource (Measured plus Indicated) tonnes. Gold, silver, lead, and zinc CIM Mineral Reserve grades are 99%, 100%, 96%, and 100% respectively of the corresponding Measured plus Indicated CIM Mineral Resource grades. Metal conversion percentages for gold, silver, lead, and zinc are 65%, 66%, 63%, and 66% respectively.

Reconciliation

The table below summarises the Silvercorp reconciliation between CIM Mineral Reserve estimates in areas mined and production as mill feed for the Ying Mining District from 1 January 2020 to 31 December 2021.

**CIM Mineral Reserve to production reconciliation:
January 2020 – December 2021**

	Mine	Ore (kt)	Grade			Metal		
			Ag (g/t)	Pb (%)	Zn (%)	Ag (koz)	Pb (kt)	Zn (kt)
Reserve (Proven + Probable)	SGX	424	306	5.37	2.50	4,173	23	11
	HZG	96	349	1.06	0.43	1,070	1	0
	HPG	83	91	4.65	1.31	243	4	1
	LME	120	507	1.94	0.50	1,996	2	1
	LMW	110	335	2.68	0.38	1,171	3	0
	TLP	225	234	2.98	0.33	1,688	7	1
	Total	1,059	304	3.74	1.31	10,341	40	14
Reconciled Mine Production	SGX	483	338	6.35	1.75	5,251	31	8
	HZG	96	373	1.67	-	1,150	2	-
	HPG	120	111	3.24	1.15	428	4	1
	LME	84	323	1.73	0.34	874	1	0
	LMW	129	317	2.86	0.02	1,315	4	0
	TLP	358	223	3.31	-	2,568	12	-
	Total	1,270	283	4.19	0.8	11,584	53	10
Mine Production as % of Reserves	SGX	114%	110%	118%	70%	126%	133%	77%
	HZG	100%	107%	158%	0%	107%	160%	-
	HPG	144%	122%	70%	88%	176%	97%	138%
	LME	70%	64%	89%	68%	44%	73%	29%
	LMW	117%	95%	107%	5%	112%	123%	-
	TLP	159%	95%	111%	0%	152%	169%	0%
	Total	120%	93%	112%	61%	112%	133%	72%

Notes:

- Assumes 2.5% moisture in wet ore.
- Numbers may not compute exactly due to rounding.

Life-of-Mine Plan

The table below is a summary of the projected LOM production for each of the Ying Mining District mines and for the entire operation based on the 31 December 2021 CIM Mineral Reserve estimates.

Ying Mining District mines LOM production plan

	2022Q4	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	Total
SGX																	
Ore (kt)	50	273	279	279	356	364	381	374	378	370	381	377	378	380	379	231	5,229
Au (g/t)	0.00	0.00	0.01	0.03	0.01	0.03	0.03	0.05	0.03	0.02	0.00	0.00	0.07	0.03	0.04	0.01	0.03
Ag (g/t)	340	331	328	309	295	280	282	256	238	226	234	226	200	189	185	179	249
Pb (%)	6.62	6.14	5.61	5.57	4.90	4.41	4.70	4.82	4.92	4.80	4.38	4.45	4.24	4.16	4.03	4.93	4.76
Zn (%)	2.09	2.35	2.23	2.47	2.40	2.12	2.29	2.17	2.40	2.02	1.86	2.11	1.97	2.26	2.06	2.23	2.18
AgEq (g/t)	633	612	587	573	531	492	510	486	475	450	439	438	406	395	382	412	476
HZG																	
Ore (kt)	15	57	66	70	70	70	70	69	70	70	68	40	-	-	-	-	735
Au (g/t)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00
Ag (g/t)	347	344	345	347	354	349	360	355	351	355	339	320	-	-	-	-	348
Pb (%)	0.82	1.17	1.19	1.13	0.91	1.06	0.76	0.87	0.95	0.73	0.74	0.62	-	-	-	-	0.93
Zn (%)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
AgEq (g/t)	376	386	388	389	387	387	387	386	385	382	366	342	-	-	-	-	382
HPG																	
Ore (kt)	10	66	72	77	78	78	77	77	70	66	63	58	-	-	-	-	791
Au (g/t)	1.09	1.31	2.72	2.94	1.71	1.54	1.68	1.01	1.03	0.94	1.58	1.31	-	-	-	-	1.63
Ag (g/t)	154	124	74	74	87	84	74	40	75	59	36	54	-	-	-	-	73
Pb (%)	3.18	3.34	2.26	2.15	3.23	3.83	2.99	4.95	3.23	2.85	1.92	2.04	-	-	-	-	3.03
Zn (%)	1.92	1.53	1.04	0.59	1.37	1.14	1.35	0.69	0.91	1.87	1.53	1.14	-	-	-	-	1.19
AgEq (g/t)	394	376	371	372	359	360	334	309	288	276	254	248	-	-	-	-	326
TLP																	
Ore (kt)	79	215	205	220	220	231	210	207	207	211	214	210	147	-	-	-	2,575
Au (g/t)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00
Ag (g/t)	214	222	208	217	240	237	235	222	217	208	189	171	177	-	-	-	213
Pb (%)	2.80	3.07	2.98	3.11	2.87	2.95	3.02	2.89	2.94	2.83	3.07	3.82	3.26	-	-	-	3.05
Zn (%)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
AgEq (g/t)	317	334	317	331	346	345	345	328	325	312	301	311	297	-	-	-	325
LM East																	
Ore (kt)	12	51	52	52	64	73	81	80	82	75	78	73	77	63	-	-	913
Au (g/t)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.05	0.19	0.20	0.20	0.12	0.96	1.77	-	-	0.27
Ag (g/t)	325	321	331	327	365	414	351	360	311	341	348	325	236	175	-	-	325
Pb (%)	1.41	1.34	2.39	1.56	1.56	1.38	1.54	1.89	2.08	1.56	1.44	1.91	1.44	0.91	-	-	1.61
Zn (%)	0.34	0.30	0.27	0.23	0.34	0.37	0.37	0.42	0.46	0.37	0.35	0.50	0.51	0.28	-	-	0.38
AgEq (g/t)	379	371	420	386	425	467	410	435	403	414	416	407	357	329	-	-	404

	2022Q4	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	Total
LM West																	
Ore (kt)	11	100	103	110	128	127	136	128	135	132	133	127	129	130	119	112	1,861
Au (g/t)	0.13	0.48	0.57	0.69	0.40	0.16	0.24	0.16	0.55	0.60	0.70	0.24	0.25	0.61	1.03	0.66	0.48
Ag (g/t)	313	316	313	319	285	300	280	270	283	252	254	245	249	242	192	201	266
Pb (%)	2.25	2.02	2.25	1.90	2.20	1.84	1.94	2.20	1.55	2.28	2.04	2.39	1.81	1.73	1.72	2.08	1.99
Zn (%)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
AgEq (g/t)	403	420	431	434	391	376	365	360	375	369	364	343	331	340	323	311	368
DCG																	
Ore (kt)	2	22	24	24	23	23	21	22	17	17	18	-	-	-	-	-	213
Au (g/t)	1.12	3.58	2.89	3.20	4.34	4.17	3.27	2.57	2.41	3.04	2.92	-	-	-	-	-	3.25
Ag (g/t)	153	114	137	87	105	95	115	73	51	47	46	-	-	-	-	-	91
Pb (%)	1.78	1.17	2.51	3.50	1.25	0.82	1.33	2.18	2.16	0.58	0.64	-	-	-	-	-	1.67
Zn (%)	0.35	0.20	0.20	0.19	0.11	0.11	0.35	0.17	0.16	0.23	0.32	-	-	-	-	-	0.20
AgEq (g/t)	304	409	433	443	454	416	398	335	299	285	280	-	-	-	-	-	381
Ying Mine																	
Ore (kt)	178	785	801	832	938	965	976	957	959	941	954	886	731	573	499	343	12,317
Au (g/t)	0.08	0.27	0.41	0.46	0.31	0.25	0.25	0.19	0.22	0.23	0.27	0.13	0.18	0.35	0.28	0.22	0.26
Ag (g/t)	270	276	268	262	268	267	263	245	239	230	227	217	208	199	186	186	241
Pb (%)	3.58	3.72	3.54	3.44	3.30	3.12	3.20	3.47	3.31	3.23	3.03	3.46	3.32	3.25	3.48	4.00	3.36
Zn (%)	0.72	0.97	0.89	0.90	1.05	0.92	1.04	0.94	1.05	0.96	0.88	1.01	1.07	1.53	1.57	1.50	1.03
AgEq (g/t)	424	454	447	441	434	420	421	406	399	385	375	375	365	375	368	379	406

Notes:

- Numbers may not compute exactly due to rounding.
- Zinc not included in AgEq calculation for HZG, TLP and LMW mines.

Processing and tailing dams

Silvercorp runs two processing plants, Plants 1 and 2, at the Ying Mining District, with a total current design capacity of about 2,800 tonnes per day (**tpd**). The two plants are situated within 2km of each other. Both were designed based on the lab tests completed by HNMRI in 2005. Plant 1 (Xiayu Plant – originally 600 tpd, upgraded to 800 tpd) has been in operation since March 2007. Plant 2 (Zhuangtuo Plant) has been in production since December 2009, with an expansion from 1,000 tpd to 2,000 tpd completed in October 2011. Although current design processing capacity is about 2,800 tpd, it is understood that the actual capacity could reach 3,000 – 3,200 tpd. Current LOM planning requires that the plants operate up to 2,000 tpd.

There are two current tailing management facilities (**TMF**) at the Ying Mining District. TMF 1 served both Mill Plant 1 and Mill Plant 2 during the period of 2007 – 2012. Since TMF 2 was put into operation in April 2013, the two TMFs serve their respective mill plants: TMF 1 serves Mill Plant 1, TMF 2 serves Mill Plant 2.

The TMFs were designed based on then current CIM Mineral Resource / CIM Mineral Reserve estimations and LOM production projections. Subsequent resource expansion and increased production projections indicate that the current tailings capacity will not be adequate for the full Ying Mining District LOM. A third TMF, Shimengou TMF, is being built in the Shimengou valley, which serves as a branch of the Chongyanggou river, within the territory of Xiayu Township, Luoning County.

Environmental, permitting, social / community impact

Silvercorp has all the required permits for its operations on the Ying Mining District. The existing mining permits cover all the active mining areas and, in conjunction with safety and environmental certificates, give Silvercorp the right to carry out full mining and mineral processing operations. Safety certificates have been issued by the Department of Safety Production and Inspection of Henan Province, covering the SGX Mine, HZG Mine, Zhuangtuo TMF, Shiwagou TMF, HPG Mine, TLP Mine (west and east section), LMW Mine, LME Mine, and DCG Mine. Environmental certificates have been issued by the Department of Environmental Protection of Henan Province, covering the Yuelianggou project (SGX Mine and 1,000 tpd mill plant), HPG Mine, TLP Mine, LMW Mine, LME Mine, DCG Mine, and the 2,000 tpd mill plant built in 2009. For each of these certificates, there are related mine development / utilisation and soil / water conservation programs, and rehabilitation plan reports. Silvercorp has also obtained approvals and certificates for wastewater discharge locations at the SGX Mine, the HPG Mine, and the two TMFs. All certificates must be renewed periodically.

There are no cultural minority groups within the area surrounding the general project. The culture of the broader Luoning County is predominantly Han Chinese. No records of cultural heritage sites exist within or near the SGX Mine, HZG Mine, HPG Mine, TLP Mine, LME Mine, LMW Mine, and DCG Mine areas. The surrounding land near the mines is used predominantly for agriculture. The mining area does not cover any natural conservation, ecological forests, or strict land control zones. The current vegetation within the project area is mainly secondary, including farm plantings. Larger wild mammals have not been found in the region. Small birds nesting and moving in the woodland are observed occasionally. The surrounding villagers raise domestic animals, such as chickens, ducks, pigs, sheep, goats, and cows etc.

Silvercorp has made a range of cash donations and contributions to local capital projects and community support programs, sponsoring university students, and undertaking projects such as road construction and school repairs, upgrading, and construction. Silvercorp has also made economic contributions in the form of direct hiring and retention of local contractors, suppliers, and service providers.

(b) **GC Mine**

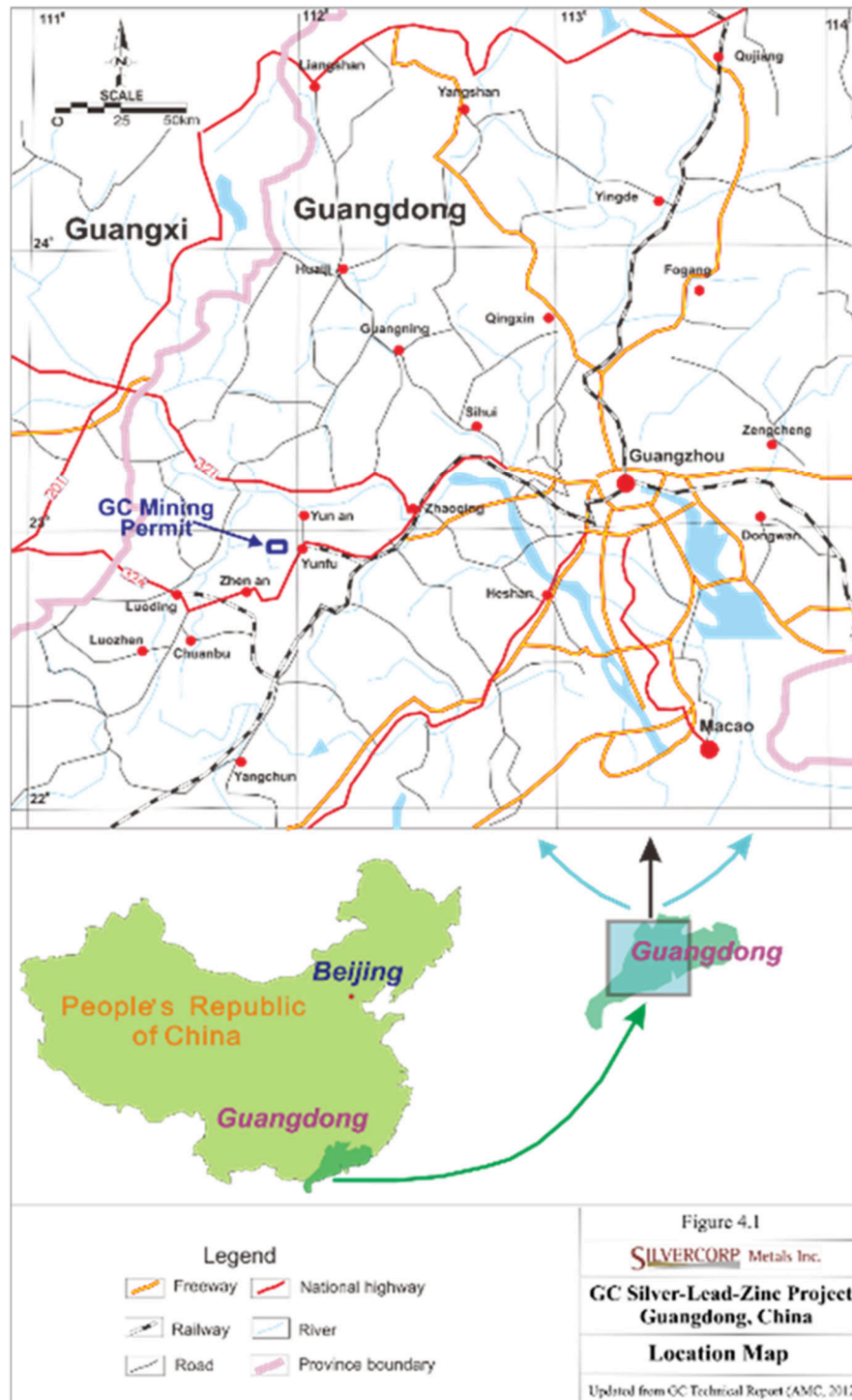
Except as otherwise stated, technical information in relation to the GC Mine in this Bidder's Statement is based on the latest Technical Report titled "*NI 43-101 Technical Report Update on the Gaocheng Ag-Zn-Pb Project in Guangdong Province, People's Republic of China*" (the **GC 2021 Technical Report**), effective date 31 March 2021, and prepared by AMC with report date 6 October 2021 (and released on SEDAR+ on 7 October 2021), and was restated in Silvercorp's Annual Information Form dated 1 June 2023 for the Fiscal Year ended 31 March 2023.

Portions of the following information are based on the assumptions, qualifications and procedures described in the GC 2021 Technical Report, which are not fully described in this Bidder's Statement. The full text of the GC 2021 Technical Report is available for review on SEDAR+ at www.sedarplus.ca.

Location and History

The GC Mine is located in the vicinity of Gaocheng village, Gaocun Township, Yun'an District, Yunfu City, Guangdong Province, People's Republic of China. The GC Mine is located west of the metropolitan city of Guangzhou, the capital of Guangdong Province. Guangzhou is located about 120 kilometres (km) north-west of Hong Kong and has a total population of about 14 million people. Access to the GC project from Guangzhou is via 178 km of four-lane express highway to Yunfu, then 48 km of paved road to the project site.

Location of the GC Mine



Various state-sponsored Chinese Geological Brigades and companies have conducted geological and exploration work in the project area with systematic regional geological surveys commencing in 1959. Historical drilling commenced in 2001. Silvercorp acquired an interest in the GC Mine in 2005 and commercial production commenced in 2014.

Mining licences ownership

The GC Mine is covered by one mining licence, held by Guangdong Found Mining Co., Ltd (**Guangdong Found**), a Sino-Foreign Cooperative Joint Venture Enterprise registered under Chinese law. Silvercorp holds (through two of its wholly-owned

subsidiaries Yangtze Mining (H.K.) Ltd and Silvercorp Metals (China) Inc.) a 99% interest in Guangdong Found, with the remaining 1% interest held by GRT Mining Investment (Beijing) Co., Ltd. See section 4.3 for further information on Silvercorp's corporate structure.

Mine	Mining licence number	Sq km	Expiry date	Registered licence holder
GC Mine	C1000002010113210083333	5.5238	24 November 2040	Guangdong Found

Production

In Fiscal 2023, a total of 299,959 tonnes of ore were mined and 299,597 tonnes were milled at the GC Mine. Average head grades of ore milled were 75 g/t for silver, 1.3% for lead, and 2.8% for zinc. Metals produced at the GC Mine were approximately 593 thousand ounces of silver, 7.8 million pounds of lead, and 16.3 million pounds of zinc.

The mining costs at the GC Mine were US\$41.36 per tonne in Fiscal 2023, and the milling costs were US\$16.93 per tonne. Correspondingly, the production costs per tonne of ore processed were US\$58.29 and the all-in sustaining production costs per tonne of ore processed were US\$83.33. The cash costs per ounce of silver, net of by-product credits, at the GC Mine, were negative US\$13.7, and the all-in sustaining costs per ounce of silver, net of by product credits, were US\$0.50.

CIM Mineral Resources

The CIM Mineral Resources for the GC Mine as of 31 December 2020 are presented in the table below.

Summary of CIM Mineral Resources as of 31 December 2020

Classification	Tonnes (Mt)	Ag (g/t)	Pb (%)	Zn (%)	Contained metal		
					Ag (koz)	Pb (M lbs)	Zn (M lbs)
Measured	5.286	88	1.3	3.1	14,906	154	360
Indicated	4.747	75	1.1	2.5	11,457	111	259
Measured and Indicated	10.033	82	1.2	2.8	26,363	265	619
Inferred	8.441	87	1.0	2.4	23,562	195	442

Notes:

- CIM Definition Standards (2014) were used for reporting the CIM Mineral Resources.
- CIM Mineral Resource are reported at an AgEq cut-off grade of 105 g/t AgEq.
- The equivalency formula is $Ag\ g/t + 50.46 * Pb\% + 43.53 * Zn\%$ using prices of US\$18.20/oz Ag, US\$0.94/lb Pb, and US\$1.08/lb Zn and estimated recoveries of 82.6% Ag, 89.5% Pb, and 87.3% Zn.
- Sample results up to 31 December 2020.
- CIM Mineral Resources have been depleted to account for mining to 31 December 2020.
- Veins factored to a minimum extraction width of 0.4 m.
- CIM Mineral Resources are inclusive of CIM Mineral Reserves.
- CIM Mineral Resources that are not CIM Mineral Reserves do not have demonstrated economic viability. An Inferred CIM Mineral Resource is that part of a CIM Mineral Resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling and must not be converted to a CIM Mineral Reserve. It is reasonably expected that the majority of Inferred CIM Mineral Resources could be upgraded to Indicated CIM Mineral Resources with continued exploration.
- The numbers may not compute exactly due to rounding.

CIM Mineral Reserves

The table below summarises the CIM Mineral Reserves estimate for the GC Mine. 63% of the CIM Mineral Reserve tonnage is categorised as Proven and 37% is categorized as Probable.

The CIM Mineral Reserve estimation is based on the assumption that current stoping practices will continue at the GC Mine, namely predominantly shrinkage stoping but also with some cut and fill resuing. Minimum mining widths of 1.0 m for shrinkage and 0.5 m for resuing, and minimum dilution of 0.20 m total for shrinkage and 0.10 m for resuing cut and fill stopes are assumed. Full breakeven COGs used are 215 g/t AgEq for shrinkage and 275 g/t AgEq for resuing.

GC Mine CIM Mineral Reserves estimate at 31 December 2020

Classification	Tonnes (Mt)	Ag (g/t)	Pb (%)	Zn (%)	Contained metal		
					Ag (koz)	Pb (Mlbs)	Zn (Mlbs)
Proven	2.587	93	1.5	3.3	7,743	84	189
Probable	1.544	95	1.5	3.0	4,740	51	103
Proven and Probable	4.131	94	1.5	3.2	12,483	135	293

Notes:

- Canadian Institute of Mining, Metallurgy and Petroleum Standards (2014) were used for reporting the CIM Mineral Reserves.
- Full breakeven cut-off grades: Shrinkage = 215 g/t AgEq; Resuing = 275 g/t AgEq.
- Marginal material cut-off grade: Shrinkage = 185 g/t AgEq; Resuing = 250 g/t AgEq.
- Dilution (zero grade) assumed as a minimum of 0.1 m on each wall of a shrinkage stope and 0.05 m on each wall of a resuing stope.
- Mining recovery factors assumed as 92% for shrinkage and 95% for resuing.
- Metal prices: Silver US\$18.20/troy oz, lead US\$0.94/lb, zinc US\$1.08/lb, with respective payables of 65.5%, 86.2%, and 66.3%.
- Processing recovery factors: Ag – 82.6%, Pb – 89.5%, Zn – 87.3%.
- Effective date 31 December 2020.
- Exchange rate assumed is RMB6.80: US\$1.00.
- Rounding of some figures may lead to minor discrepancies in totals.

Life-of-Mine

The table below shows the projected LOM mill feed and metal production profile at the GC Mine. The LOM production data is based on the 31 December 2020 CIM Mineral Reserve estimates.

GC Mine Projected LOM mill feed and metal production

Item	Unit	2021 Q4	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total
Mill Feed - Ore tonnes	t	77,496	311,271	317,885	310,407	313,288	313,644	311,336	315,013	311,802	311,762	310,516	312,573	313,563	300,482	4,131,039
Head grade, Ag	g/t	88	86	92	96	96	94	96	93	95	94	94	94	98	97	94
Head grade, Pb	%	1.51	1.46	1.55	1.47	1.47	1.35	1.51	1.58	1.49	1.26	1.40	1.60	1.43	1.69	1.48
Head grade, Zn	%	3.72	3.64	3.52	3.42	3.20	3.29	3.08	2.95	3.08	3.28	3.21	2.99	3.06	2.95	3.22
Planned metal - Ag mined	t	6.79	26.75	29.21	29.78	30.02	29.36	29.85	29.39	29.56	29.35	29.30	29.26	30.64	29.01	388.27
Planned metal - Pb mined	t	1,173	4,544	4,940	4,565	4,592	4,224	4,706	4,965	4,651	3,929	4,354	5,007	4,492	5,084	61,225
Planned metal - Zn mined	t	2,883	11,317	11,175	10,607	10,011	10,304	9,591	9,308	9,604	10,238	9,974	9,361	9,581	8,863	132,818
Planned metal - Ag recovered	t	5.61	22.10	24.13	24.60	24.79	24.25	24.65	24.28	24.42	24.24	24.20	24.17	25.31	23.96	320.71
Planned metal - Pb recovered	t	1,050	4,067	4,422	4,086	4,109	3,780	4,212	4,444	4,162	3,516	3,897	4,482	4,020	4,550	54,797
Planned metal - Zn recovered	t	2,517	9,880	9,756	9,260	8,740	8,995	8,373	8,125	8,384	8,938	8,708	8,173	8,364	7,738	115,950

Processing and tailing

Since the start of trial operations in 2013 and commercial production in 2014, lead and zinc concentrates have been produced in commercial quantities at the Gaocheng mill. The overall process consists of crushing, grinding, sequential flotation of lead, zinc, and pyrite concentrates, and concentrate dewatering by disc filtration.

In 2019, the lead-zinc-sulphur priority flotation process was optimised by changing from zinc-sulphur process priority flotation to zinc-sulphur mixed flotation and then zinc-sulphur separation flotation process. The quantity of ore processed has increased to around 300 ktpa.

The filtered tailings are conveyed to the TMF area via conveyor and then spread by bulldozer on a bench-by-bench basis. The tailings deposition method is dry stacking and filling (from bottom to top and stacking by bench to form the embankment), with concurrent rolling and compaction to the desired dry density standards.

The construction of a cemented tailings backfill plant was completed in December 2019. The design capacity is 60 – 80 m³ /hr, or around 450 m³ /day assuming seven hours operation. After surface and underground full-process backfilling tests and adjustment, the system began operating in July 2020.

Environmental, permitting and compliance activities

Silvercorp has all the required permits for its operations on the GC Mine and, in conjunction with safety and environmental certificates, these give Silvercorp the right to carry out full mining and mineral processing operations.

An Environmental Impact Assessment report on the GC Mine was prepared by the Guangdong Environmental Technology Centre initially, and then reassessment is done periodically as required by regulations. An Environmental Permit was issued by the Department of Environmental Protection of Guangdong Province in June 2010.

There are no cultural minority groups within the general area surrounding the GC Mine. No records of cultural heritage sites exist within or near the GC Mine areas. The surrounding land is used predominantly for agriculture. The mining area does not cover any natural conservation, ecological forests, or strict land control zones.

Silvercorp has made a range of cash donations and contributions to local capital projects and community support programs, sponsoring university students and undertaking projects such as village road construction, and school upgrading and construction. Silvercorp has also made economic contributions to the local economy in the form of direct hiring and retention of local contractors, suppliers, and service providers.

A monitoring plan has been negotiated between Silvercorp and the local environmental protection department to meet the environmental management requirements of the project. Key components of the monitoring plan are water pollution monitoring, together with environmental air and noise monitoring. The monitoring work is carried out by qualified persons and / or a third-party contractor and is undertaken on a regular basis.

(c) **Silvercorp's disclosures in satisfaction of Listing Rule 5.12**

Listing Rule	ASX Explanation	Commentary
5.12.1	The source and date of the historical estimates or foreign estimates.	The foreign estimates in respect of Silvercorp's operations and properties were prepared by Silvercorp. The mineral resources and mineral reserves are

Listing Rule	ASX Explanation	Commentary
		<p>prepared in accordance with the Canadian NI 43-101 Standards.</p> <p>The source of the Silvercorp foreign estimates in relation to the Ying Mining District is the Technical Report titled “<i>NI 43-101 Technical Report Update on the Ying Ag-Pb-Zn Property in Henan Province, People’s Republic of China</i>” (the Ying 2022 Technical Report), effective date 20 September 2022, and prepared by AMC Mining Consultants (Canada) Ltd. (AMC) with report date 3 November 2022 (and released on SEDAR+ on 4 November 2022).</p> <p>The source of the Silvercorp foreign estimates in relation to the GC Mine is the Technical Report titled “<i>NI 43-101 Technical Report Update on the Gaocheng Ag-Zn-Pb Project in Guangdong Province, People’s Republic of China</i>” (the GC 2021 Technical Report), effective date 31 March 2021, and prepared by AMC with report date 6 October 2021 (and released on SEDAR+ on 7 October 2021).</p> <p>The full text of the Ying 2022 Technical Report and the GC 2021 Technical Report is available for review on SEDAR+ at www.sedarplus.ca.</p> <p>The foreign estimates were restated by Silvercorp in its Annual Information Form dated 1 June 2023 for the Fiscal Year ended 31 March 2023.</p> <p>The foreign estimates in the Ying 2022 Technical Report and the GC 2021 Technical Report are the most recent, available mineral resources and mineral reserves estimates for the Silvercorp’s operations.</p>
5.12.2	Whether the historical estimates or foreign estimates use categories of mineralisation other than those defined in Appendix 5A (JORC Code) and if so, an explanation of the differences.	<p>The Silvercorp foreign estimates of mineral resources and mineral reserves have been prepared using the Canadian NI 43-101 reporting guidelines.</p> <p>The mineral resource estimates contain categories of NI 43-101 ‘Measured’, ‘Indicated’ and ‘Inferred’ that are consistent with the terminology of the ‘Measured’, ‘Indicated’ and ‘Inferred’ categories under the JORC Code.</p>

Listing Rule	ASX Explanation	Commentary
		NI 43-101 mineral reserves estimates are reported as proven and probable in the foreign estimates. These classifications are consistent with definitions of Proved and Probable Ore Reserves in the JORC Code.
5.12.3	The relevance and materiality of the historical estimates or foreign estimates to the entity.	The Silvercorp foreign estimates are material to the Merged Group as they form a significant portion of the overall mineral reserve and mineral resource inventory.
5.12.4	The reliability of historical estimates or foreign estimates to the entity.	<p>The foreign estimates are considered reliable by Silvercorp for the following reasons:</p> <ul style="list-style-type: none"> the foreign estimates have been prepared in accordance with NI 43-101; and the methodologies for preparing the mineral resources and mineral reserves have not changed significantly in comparison to previous reporting.
5.12.5	To the extent known, a summary of work programs on which the historical estimates or foreign estimates are based and a summary of the key assumptions, mining and processing parameters and methods used to prepare the historical or foreign estimates.	<p>Key assumptions used in the estimation of mineral resources and mineral reserves are based on extensive operating experience and historical performance.</p> <p>A summary of the key assumptions, including metal prices, cut-off grades, exchange rate is set forth in the notes to the tables included in sections 4.2(a) and 4.2(b). Assumptions, qualifications and procedures are not fully described in this Bidder's Statement. The full text of the Ying 2022 Technical Report and the GC 2021 Technical Report is available for review on SEDAR+ at www.sedarplus.ca.</p>
5.12.6	Any more recent estimates or data relevant to the reported mineralisation available to the entity.	No more recent estimates have been completed since the mineral reserves and mineral resources disclosed in the Ying 2022 Technical Report and the GC 2021 Technical Report.
5.12.7	The evaluation and/or exploration work that needs to be completed to verify the historical estimates or foreign estimates as mineral resources or ore reserves in	<p>Silvercorp currently does not have intention to verify the mineral resources or ore reserves in accordance with JORC Code.</p> <p>If Silvercorp is admitted to the official list of ASX, it will comply with the reporting</p>

Listing Rule	ASX Explanation	Commentary
	accordance with ASX Listing Rules Appendix 5A (JORC Code).	obligations under ASX Listing Rule 5 in relation to its mining activities.
5.12.8	The proposed timing of any evaluation and/or exploration work that the entity intends to undertake and a comment on how the entity intends to fund that work.	<p>Evaluation work has been ongoing and Silvercorp intends to update the mineral resources and reserves at its mines in the first half of 2024, based on results up to and including 31 December 2023.</p> <p>Silvercorp has been funding its evaluation and exploration work from its working capital.</p> <p>There is currently no intention to verify Silvercorp's reserves and resources estimates in accordance with the JORC Code.</p>
5.12.9	<p>A cautionary statement proximate to, and with equal prominence as, the reported historical estimates or foreign estimates stating that:</p> <p>The estimates are historical estimates or foreign estimates and are not reported in accordance with the JORC Code;</p> <p>A competent person has not done sufficient work to classify the historical estimates or foreign estimates as mineral resources or ore reserves in accordance with the JORC Code; and</p> <p>It is uncertain that following evaluation and/or further exploration work that the historical estimates or foreign estimates will be able to be reported as mineral resource or ore reserves in accordance with the JORC Code.</p>	<p>Silvercorp cautions that mineral resources and mineral reserves for Silvercorp are not reported in accordance with the JORC Code.</p> <p>A Competent Person has not yet completed sufficient work to classify the foreign estimates of mineral resources or mineral reserves as Mineral Resources or Ore Reserves in accordance with the JORC Code.</p> <p>It is currently uncertain whether, following evaluation and/or further exploration work, these foreign estimates will be able to be reported as Mineral Resources or Ore Reserves in accordance with the JORC Code.</p>
5.12.10	A statement by a named competent person or persons that the information in the market announcement provided under rules 5.12.2 to 5.12.7 is an accurate representation of the available data and studies for the material mining project. The statement must include the	Refer to section 12.9

Listing Rule	ASX Explanation	Commentary
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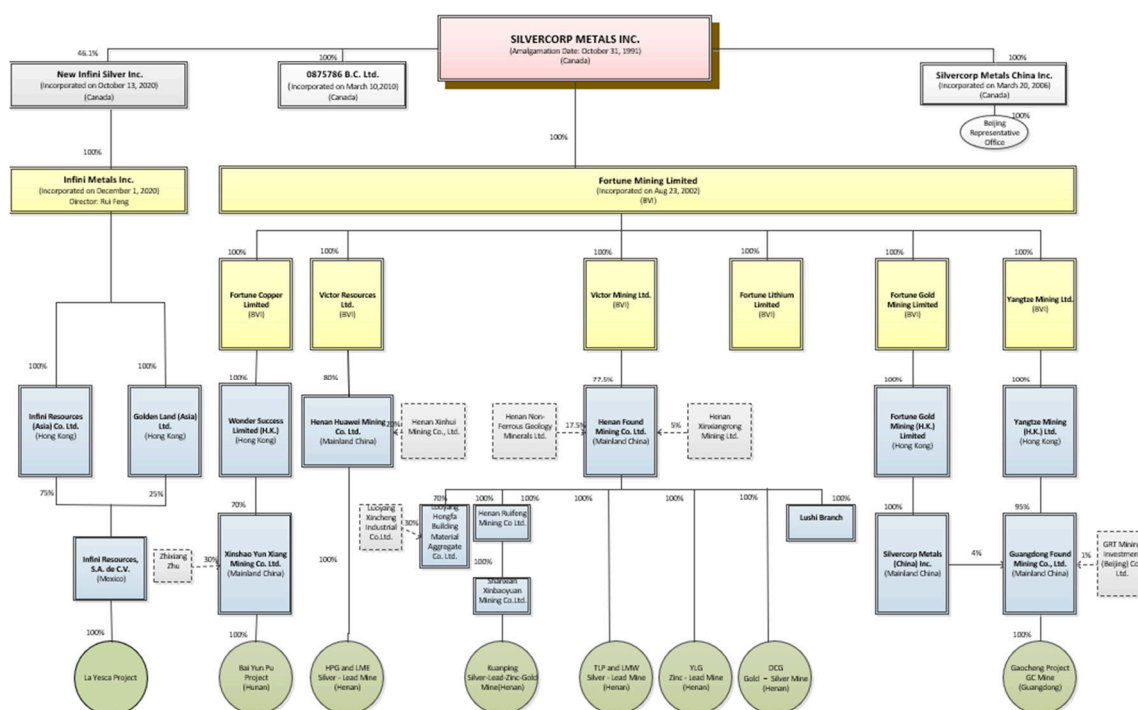
information referred to in rule 5.22(b) and (c).

4.3 Corporate structure and other investment interests

Silvercorp is incorporated under the Business Corporations Act. Its head and registered office is 1750-1066 West Hastings Street, Vancouver, British Columbia, Canada V6E 3X1. Silvercorp is listed on the TSX under the symbol “SVM” and trades in the United States on the NYSE American under the symbol “SVM”.

Silvercorp was formed as Spokane Resources Ltd. By special resolution dated 5 October 2000, Spokane Resources Ltd changed its name to SKN Resources Ltd. At the annual and special general meeting held on 20 October 2004 Silvercorp changed its name to its current name.

The corporate structure of the Silvercorp Group including its subsidiaries, their respective jurisdictions of incorporation, the percentage of voting power held and their respective interest in Silvercorp’s material mining properties is set out in the chart below.



Note:

- Not including investment interest in entities that is not controlled by Silvercorp.
- Entities in grey with dotted shape lines are not Silvercorp entities.
- The HPG and the LME Silver-Lead Mines are registered under Henan Found, but are beneficially held by Henan Huawei due to an Ore Sale Agreement between Henan Found and Henan Huawei. Both Henan Found and Henan Huawei are subsidiaries of Silvercorp.

Silvercorp is the sole shareholder of Fortune Mining Limited (**Fortune Mining**) which was incorporated under the laws of BVI on 23 August 2002. Fortune Mining is the holding company of several other subsidiaries which are parties to agreements relating to mineral properties in China.

Fortune Mining owns 100% of the following material subsidiaries:

Victor Mining

Victor Mining Ltd (**Victor Mining**) was incorporated on 23 October 2003 under the laws of BVI and continued into Barbados on 27 August 2009 and back to the BVI on 18 March 2016. Victor Mining holds a 77.5% interest in Henan Found Mining Co., Ltd (**Henan Found**), a Chinese company holding, among other assets:

- the Ying Mining District's flagship silver-lead-zinc project (the **SGX Mine**) and a satellite silver-lead mine (the **HZG Mine**) located approximately 5 km south of the SGX Mine;
- a silver-lead mine in Tieluping (the TLP Mine) approximately 11 km southeast of the SGX Mine;
- a silver-gold-lead-zinc mine in Haopinggou (the HPG Mine) northeast of the SGX Mine;
- a silver-lead-zinc mine in Longmen East (the LME Mine) approximately 12 km to southeast of the SGX Mine;
- a silver-lead-zinc mine in Longmen West (the LMW Mine) approximately 2.4 km to the west of the LME Mine; and
- a development project in Dong Cao Gou (the **DCG Mine**),

each in Henan Province.

Henan Found and Henan Huawei are parties to an Ore Sale Agreement under which Henan Found sells all ores produced from the HPG Mine and the LME Mine to **Henan Huawei** on a cost-plus basis, and the HPG Mine and the LME Mine are beneficially held by Henan Huawei for Silvercorp's reporting purposes.

Henan Found holds a 100% interest in Henan Ruifeng Mining Co Ltd which holds a 100% interest in Shanxian Xinbaoyuan Mining Co., Ltd. Shanxian Xinbaoyuan Mining Co., Ltd holds a 100% interest in the Kuanping silver-lead-zinc-gold project (the **Kuanping Project**).

Victor Resources

Victor Resources Ltd (**Victor Resources**) was incorporated on 30 May 2003 under the laws of the BVI and holds an 80% interest in Henan Huawei, a Chinese company. As noted above, Henan Huawei is beneficially holding a 100% interest in the HPG Mine and the LME Mine through an Ore Sale Agreement with Henan Found (with Henan Found being the registered owner of those mines).

Yangtze Mining

Yangtze Mining Ltd was incorporated on 11 February 2002 under the laws of the BVI. It holds a 100% interest in Yangtze Mining (H.K.) Ltd (**Yangtze Mining HK**), a company registered in Hong Kong. Yangtze Mining HK holds a 95% interest in Guangdong Found Mining Co., Ltd (**Guangdong Found**), a company incorporated on 26 October 2008 under the laws of China, which holds a 100% interest in the GC Mine. In October 2018, Silvercorp Metals (China) Inc., a wholly-owned subsidiary of Silvercorp, acquired an additional 4% interest in Guangdong Found, and as a result, Silvercorp now holds an aggregated 99% interest in Guangdong Found.

Fortune Copper

Fortune Copper Limited (**Fortune Copper**) was incorporated on 23 August 2002 under the laws of the BVI. It holds a 100% interest in Wonder Success Limited, a Hong Kong company which has a 70% interest in Xinshao Yunxiang Mining Co., Ltd., which owns the BYP gold,

lead, and zinc mine in Hunan Province (the **BYP Mine**). The BYP Mine is currently under care and maintenance.

Other interests

Silvercorp also holds the following interests:

- a 27.4% interest in New Pacific Metals Corp., a Canadian public company listed on the Toronto Stock Exchange (symbol: NUAG) and the NYSE American (symbol: NEWP) that is developing several precious metals projects in Bolivia;
- a 29.3% interest in Tincorp Metals Inc., formerly Whitehorse Gold Corp., a Canadian public company listed on the TSX Venture Exchange that is advancing two tin projects in Bolivia and owns a gold-silver project in Yukon, Canada; and
- a 46.15% interest in New Infini, which was incorporated on 13 October 2020, under the laws of the Province of British Columbia. New Infini holds a 100% interest in the La Yesca silver project (**La Yesca Project**).

4.4 Corporate governance

The Corporate Governance Committee of the Silvercorp Board reviews Silvercorp's policies on an annual basis, including the Anti-Corruption Policy, Code of Ethical Conduct, Claw back Policy, Corporate Disclosure Policy, and Whistleblower Policy, which are then approved by the Silvercorp Board. All of Silvercorp's directors and officers were re-certified with all the policies, confirming they are familiar with and acknowledge the contents of Silvercorp's policies, and committing to fulfil them and to report any violation. Silvercorp also regularly trains its critical employees in anti-corruption practices.

In Fiscal 2023, the Sustainability Committee of the Silvercorp Board adopted a Community Relations Policy, a Human Rights Protection Policy, an Environmental Protection Policy, and an Occupational Health and Safety Policy, which were then approved by the Silvercorp Board.

Silvercorp's corporate governance practices have been and continue to be in compliance with applicable Canadian requirements. Silvercorp continues to monitor developments in Canada with a view to further revising its governance policies and practices, as appropriate.

Section 110 of the NYSE American company guide permits the NYSE American to consider the laws, customs and practices of foreign issuers in relaxing certain the NYSE American listing criteria, and to grant exemptions from the NYSE American listing criteria based on these considerations. A description of the significant ways in which Silvercorp's governance practices differ from those followed by domestic companies pursuant to the NYSE American standards is provided on Silvercorp's website at www.silvercorpmetals.com/corporate-governance/.

The following is a description of Silvercorp's corporate governance practices which has been prepared by the Corporate Governance Committee of the Silvercorp Board and has been approved by the Silvercorp Board.

For more information on Silvercorp's Corporate Governance practices, please review Silvercorp's Annual Information Form and Management Information Circular available on the company's website at www.silvercorp.ca.

(a) Silvercorp Board

In compliance with the requirements of the Business Corporations Act, the directors are elected by Silvercorp Shareholders to manage, or supervise the management team responsible for the business and affairs of Silvercorp. In exercising their powers and discharging their duties, the directors are required to act honestly and in good faith with a view to the best interests of Silvercorp, and to exercise the care, diligence

and skill that a reasonably prudent person would exercise in comparable circumstances.

Four out of five current members of the Silvercorp Board are independent within the meaning of NI 52-110. To facilitate the ability of the Silvercorp Board to function independently of management, there is only one member of management on the Silvercorp Board, Rui Feng, the CEO and Chairman of Silvercorp. The independent directors regularly hold an in-camera session at the end of each board meeting. Paul Simpson is the independent lead director of the Silvercorp Board. The role of the independent lead director is to act as the Chair for all meetings of the independent directors referred to above.

The Silvercorp Board has adopted a description of how it delineates its roles and stewardship responsibilities in the Board of Directors Charter, detailed below. This description incorporates the guidelines and principles outlined in NI 52-110, NI 58-101 and NP 58-201. The Silvercorp Board believes that good corporate governance is important to the effective performance of Silvercorp and plays a significant role in protecting Silvercorp Shareholders' interests and maximising value for the Silvercorp Shareholders. The disclosure regarding Silvercorp's corporate governance practices that is required by NI 58-101 is detailed below.

(b) **Silvercorp Board Charter**

The Board is responsible for the stewardship of Silvercorp and for the oversight of its management and affairs. Directors shall exercise their best business judgment in a manner consistent with their fiduciary duties. The Silvercorp Board's primary responsibilities, which are discharged directly and through delegation to its committees, include the following:

- The primary goal of the Silvercorp Board is to act in the best interests of Silvercorp to enhance long-term shareholder value while considering the interests of Silvercorp's various stakeholders, including shareholders, employees, the communities and others.
- To act honestly and in good faith with a view to the best interests of Silvercorp.
- To exercise due care, diligence and skill that reasonably prudent persons would exercise in comparable circumstances.
- Consistent with its responsibilities to Silvercorp, to further the interests of the shareholders.
- To consider business opportunities and risks, and to adopt business strategies and/or strategic plans.
- To evaluate the principal risks of Silvercorp's business in consultation with management, and to implement an appropriate system to manage these risks.
- To develop and oversee an investor relations and shareholder communications policy (**Corporate Disclosure Policy**) for Silvercorp.
- To develop and oversee a policy (Whistleblower Policy) to establish procedures for the confidential, anonymous submission by employees and consultants and any other person of concerns regarding Silvercorp and otherwise facilitate measures for receiving feedback from stakeholders.
- To oversee management's adoption of effective internal control and management information systems.

- To review and approve annual and quarterly financial statements and the publication thereof by management.
- To review and approve operating plans and any capital budget plans.
- To oversee succession planning and to select and approve all key executive appointments, and to monitor executive training and development.
- To develop and update, as required, Silvercorp's approach to corporate governance, including establishing a set of corporate governance principles and guidelines that are specifically applicable to Silvercorp.
- To adopt a code of conduct to govern employees and management in their activities for and on behalf of Silvercorp.
- To promote diversity throughout Silvercorp, commensurate with Silvercorp's needs.
- To satisfy itself as to the integrity of the management of Silvercorp and ensure that such officers promote a culture of integrity throughout Silvercorp consistent with the adopted code of conduct.
- To take action on issues that by law or practice require the independent action of a Board or one of its Committees.
- To oversee management in its implementation of effective programs to provide a safe work environment, to employ sound environmental practices, and to operate in accordance with applicable laws, regulations and permits.
- To oversee management in its implementation of an effective communications policy with regard to investors, employees, the communities in which it operates and the governments of those communities.
- The Board of Directors Charter was reviewed by the Corporate Governance Committee and last approved by the Silvercorp Board on 9 August 2023.

(c) **Corporate Governance Committee**

The Corporate Governance Committee is responsible for assisting the Silvercorp Board in establishing and maintaining a sound system of corporate governance through a process of continuing assessment and enhancement. The Corporate Governance Committee works to ensure that:

- the Silvercorp Board functions independently of management;
- management is clearly accountable to the Silvercorp Board; and
- procedures are in place to monitor the effectiveness of the performance of the Silvercorp Board, the committees of the Silvercorp Board and individual directors.

The Corporate Governance Committee is comprised of Paul Simpson, Marina Katusa and Ken Robertson, all of whom are independent directors pursuant to NI 52-110. The Corporate Governance Committee Charter is detailed below.

(d) **Corporate Governance Committee Charter**

Silvercorp has established a Corporate Governance Committee of the Silvercorp which consists of three or more directors, all of whom shall be independent. The Corporate Governance Committee meets at least annually, or more frequently as

required. The Corporate Governance Committee's mandate is to assist the Silvercorp Board in establishing and maintaining a sound system of corporate governance through a process of continuing assessment and enhancement.

The Corporate Governance Committee's duties and responsibilities are:

- to advise the Chairman of the Silvercorp Board and the Silvercorp Board on matters of corporate governance, including adherence to any governance guidelines or rules established by applicable regulatory authorities;
- to advise the Silvercorp Board on issues of conflict of interest for individual directors;
- to examine the effectiveness of Silvercorp's corporate governance practices at least annually and to propose such procedures and policies as the Corporate Governance Committee believes are appropriate to ensure that the Silvercorp Board functions independently of management, management is accountable to the Silvercorp Board and procedures are in place to monitor the effectiveness of performance of the Silvercorp Board, committees of the Silvercorp Board and individual directors;
- to develop and review, together with the Chairman, CEO and the President of the Silvercorp Board, annual Silvercorp Board goals or improvement priorities;
- to identify and to recommend to the Silvercorp Board suitable candidates for nomination as new directors, and to review the credentials of directors standing for re-election. In making its recommendations, the Corporate Governance Committee should consider:
 - the competencies and skills that the Silvercorp Board considers to be necessary for the Silvercorp Board, as a whole, to possess;
 - the competencies and skills that the Silvercorp Board considers each existing director to possess; and
 - the competencies and skills each new nominee will bring to the boardroom.
- The Corporate Governance Committee should also consider whether or not each new nominee can devote sufficient time and resources to his or her duties as a Silvercorp Board member:
- with assistance of management, to organise and provide an orientation program for new directors where appropriate;
- to periodically review the mandates of the Silvercorp Board and committees of the Silvercorp Board and determine what additional committees of the Silvercorp Board, if any, are required or appropriate;
- to develop such codes of conduct and other policies as are appropriate to deal with the confidentiality of Silvercorp's information, insider trading and Silvercorp's timely disclosure and other public company obligations;
- to take such other steps as the Corporate Governance Committee decides are appropriate, in consultation with the Silvercorp Board, to ensure that proper corporate governance practices are in place for Silvercorp, with reference to the TSX guidelines or recommendations and other regulatory requirements on corporate governance; and

- to review its charter and assess annually the adequacy of this mandate, the effectiveness of its performance and, when necessary, and to recommend changes to the Silvercorp for its approval.

This charter was reviewed by the Corporate Governance Committee and last approved by the Silvercorp Board on 9 August 2023.

(e) **Corporate governance disclosures of Silvercorp under NI 58-101**

Below is Silvercorp's corporate governance disclosure under NI 58-101. This is not a corporate governance statement for the purposes of the ASX Listing Rules.

#	Governance Disclosure Guidelines under NI 58-101	Corporate Governance Practices of Silvercorp
1.	Board of directors	
(a)	Disclose the identity of directors who are independent.	The following members of the Silvercorp Board are considered to be "independent" within the meaning of NI 58-101: Paul Simpson, Marina Katusa, Yikang Liu and Ken Robertson.
(b)	Disclose the identity of directors who are not independent, and describe the basis for that determination.	The following director is not independent for the reasons stated: Rui Feng is currently the CEO of Silvercorp.
(c)	Disclose whether or not a majority of directors are independent. If a majority of directors are not independent, describe what the Silvercorp Board does to facilitate its exercise of independent judgment in carrying out its responsibilities.	A majority of Silvercorp's current directors are independent.
(d)	If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in the same jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.	<ul style="list-style-type: none"> • Rui Feng is a director of Tincorp Metals Inc.; • Paul Simpson is a director of New Pacific Metals; • Marina Katusa is a director of Osisko Development Corp; and • Ken Robertson is a director of Mountain Province Diamonds Inc., and Gold Royalty Corporation.
(e)	Disclose whether or not the independent directors hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. If the independent directors hold such meetings, disclose the number of meetings held since the issuer's most recently completed financial year. If the independent directors do not hold such meetings, describe what the Silvercorp Board does to facilitate open and candid discussion among its independent directors.	The independent directors hold meetings at which non-independent directors and members of management are not in attendance at the end of every regularly scheduled Silvercorp Board meeting.

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**Governance Disclosure Guidelines
under NI 58-101**

**Corporate Governance Practices of
Silvercorp**

(f) Disclose whether or not the chair of the Silvercorp Board is an independent director. If the Silvercorp Board has a chair or lead director who is an independent director, disclose the identity of the independent chair or lead director, and describe his or her role and responsibilities. If the Silvercorp Board has neither a chair that is independent nor a lead director that is independent, describe what the Board does to provide leadership for its independent directors.

(g) Disclose the attendance record of each director for all Silvercorp Board meetings held since the beginning of the issuer's most recently completed financial year.

- Rui Feng, Chairman of the Silvercorp Board, is not an independent director. Paul Simpson is the independent lead director of the Silvercorp Board. The role of the independent lead director is to act as the Chair for all meetings referred in section (e) above in this table.
- The Silvercorp Board adopted a formal written mandate which defines its stewardship responsibilities to which all Silvercorp Board members strictly adhere.

Name of directors	Board meeting	Audit committee meeting	Governance committee meeting	Compensation committee meeting	Sustainability committee meeting
Rui Feng	5 of 5	NA	NA	NA	1 of 1
Paul Simpson	5 of 5	NA	1 of 1	1 of 1	NA
David Kong	5 of 5	4 of 4	NA	1 of 1	NA
Marina A. Katusa	5 of 5	4 of 4	1 of 1	NA	1 of 1
Yikang Liu	5 of 5	NA	NA	1 of 1	1 of 1
Ken Robertson	5 of 5	4 of 4	1 of 1	NA	NA

2. Board mandate

- (a) Governance Disclosure Guidelines under NI 58-101
- (b) Disclose the text of the Board's written mandate. If the Board does not have a written mandate, describe how the Board delineates its role and responsibilities.

Corporate Governance Practices of Silvercorp.

The Silvercorp Board is responsible for the stewardship of Silvercorp and for the oversight of its management and affairs. Directors shall exercise their best business judgment in a manner consistent with their fiduciary duties.

The Silvercorp Board's primary responsibilities, which are discharged directly and through delegation to its committees, include the following:

- To act honestly and in good faith with a view to the best interests of the company.
- To exercise due care, diligence and skill that reasonably prudent persons would exercise in comparable circumstances.
- Consistent with its responsibilities to the company, to further the interests of the shareholders.
- To consider business opportunities and risks, and to adopt business strategies and/or strategic plans from time to time.
- To identify the principal risks of the company's business in consultation with management, and to implement an appropriate system to manage these risks.

#	Governance Disclosure Guidelines under NI 58-101	Corporate Governance Practices of Silvercorp
		<ul style="list-style-type: none"> • To develop and oversee an investor relations and shareholder communications policy (Corporate Disclosure Policy) for the company. • To oversee management's adoption of effective internal control and management information systems. • To review and approve annual and quarterly financial statements and the publication thereof by management. • To review and approve operating plans and any capital budget plans. • To select and approve all key executive appointments, and to monitor executive development. • To develop and update, as required, the company's approach to corporate governance, including establishing a set of corporate governance principles and guidelines that are specifically applicable to the company. • To adopt a code of conduct to govern employees and management in their activities for and on behalf of the company. • To promote diversity throughout the company, commensurate with the company's needs. • To promote a culture of integrity throughout the company consistent with the adopted code of conduct. • To take action on issues that by law or practice require the independent action of the Silvercorp Board or one of its committees. • To oversee management in its implementation of effective programs to provide a safe work environment, to employ sound environmental practices, and to operate in accordance with applicable laws, regulations and permits. • To oversee management in its implementation of an effective communications policy with

#	Governance Disclosure Guidelines under NI 58-101	Corporate Governance Practices of Silvercorp
		regard to investors, employees, the communities in which it operates and the governments of those communities.
	3. Position descriptions	
	(a) Disclose whether or not the Silvercorp Board has developed written position descriptions for the Chair and the Chair of each Silvercorp Board committee. If the Silvercorp Board has not developed written position descriptions for the Chair and/or the Chair of each Silvercorp Board committee, briefly describe how the Silvercorp Board delineates the role and responsibilities of each such position.	The Board has developed written position descriptions for the CEO, the Chair of each Silvercorp Board Committee and the Directors which are posted on Silvercorp's website at: https://silvercorpmetals.com/corporate-governance/ .
	(b) Disclose whether or not the Silvercorp Board and CEO have developed a written position description for the CEO. If the Silvercorp Board and CEO have not developed such a position description, briefly describe how the Silvercorp Board delineates the role and responsibilities of the CEO.	The Silvercorp Board and CEO have adopted a written position description for the CEO which are posted on Silvercorp's website at https://silvercorpmetals.com/corporate-governance/ .
	4. Orientation and continuing education	
	(a) Briefly describe what measures the Silvercorp Board takes to orient new directors regarding (i) the role of the Silvercorp Board, its committees and its directors, and (ii) the nature and operation of the issuer's business.	<p>Each new director, on joining the Silvercorp Board, is given an outline of the nature of Silvercorp's business, its corporate strategy, current issues within Silvercorp, the expectations of Silvercorp concerning input from directors and the general responsibilities of Silvercorp's directors.</p> <p>Silvercorp provides new directors with an orientation program upon joining Silvercorp that includes copies of relevant financial, technical, geological and other information regarding its properties, as well as meetings with management.</p> <p>Board members are encouraged to communicate with management and auditors, to keep themselves current with industry trends and developments, and to attend related industry seminars. Silvercorp may also request that Silvercorp Board members be advised by counsel to Silvercorp of their legal obligations as directors of Silvercorp. Directors have been and will continue to be given tours of Silvercorp's mines and development sites to give such directors additional insight into Silvercorp's business.</p>

#	Governance Disclosure Guidelines under NI 58-101	Corporate Governance Practices of Silvercorp
	<p>(b) Briefly describe what measures, if any, the Silvercorp Board takes to provide continuing education for its directors. If the Silvercorp Board does not provide continuing education, describe how the Silvercorp Board ensures that its directors maintain the skill and knowledge necessary to meet their obligations as directors.</p>	<p>Directors have been and will continue to inspect Silvercorp's sites of mining operations, mine development, and exploration sites to give the directors an updated view of Silvercorp's business.</p> <p>In addition, from time to time, Silvercorp instructs its General Counsel and its Corporate Secretary to circulate to the Silvercorp Board members a memorandum summarising new and evolving precedents applicable to directors of public companies with respect to their conduct, duties and responsibilities. Individual directors, and the General Counsel and Corporate Secretary, from time to time, attend continuing education courses to stay abreast of latest developments in corporate governance and regulatory compliance issues. Silvercorp also circulates feedback and commentary when received from proxy advisory firms to the directors.</p>
5.	Ethical business conduct	
	<p>(a) Disclose whether or not the Silvercorp Board has adopted a written code for the directors, officers and employees. If the Silvercorp Board has adopted a written code:</p> <p>(i) disclose how a person or company may obtain a copy of the code;</p> <p>(ii) describe how the Silvercorp Board monitors compliance with its code, or if the Silvercorp Board does not monitor compliance, explain whether and how the Silvercorp Board satisfies itself regarding compliance with its code; and</p> <p>(iii) provide a cross-reference to any material change report filed since the beginning of the issuer's most recently completed financial year that pertains to any conduct of a director or executive officer that constitutes a departure from the code.</p>	<p>As part of its stewardship responsibilities, the Silvercorp Board approved a formal "Code of Business Conduct and Ethics" (the Code) that is designed to deter wrong-doing and to promote honest and ethical conduct and full, accurate and timely disclosure. A copy of the Code is available on Silvercorp's website www.silvercorpmetals.com and may be obtained by contacting Silvercorp.</p> <p>The Corporate Governance Committee is responsible for setting the standards of business conduct contained in the Code and overseeing and monitoring compliance with the Code. The Code also sets out mechanisms for the reporting of unethical conduct.</p> <p>The Code is applicable to all employees, consultants, officers and directors, regardless of their position with Silvercorp, at all times and everywhere Silvercorp does business. The Code provides that Silvercorp's employees, consultants, officers and directors will uphold its commitment to a culture of honesty, integrity and accountability.</p> <p>The Silvercorp Board has not granted any waiver of the Code in favour of a director or executive officer, and no material change report has been required or filed in connection with the Code.</p> <p>When proposed transactions or agreements in which directors or officers may have an interest, material</p>

#	Governance Disclosure Guidelines under NI 58-101	Corporate Governance Practices of Silvercorp
		<p>or not, are presented to the Silvercorp Board, the directors are required to disclose any such interest and the persons who have such an interest are excluded from all discussion on the matter and are not permitted to vote on the proposal. All such interests in transactions or agreements involving senior management are dealt with by the Silvercorp Board, regardless of apparent immateriality.</p> <p>The Silvercorp Board also adopted a formal “Code of Ethical Conduct for Financial Managers” that is applicable to all financial managers of Silvercorp, being Silvercorp’s CEO, CFO, principal accounting officer, controller and persons performing similar functions.</p> <p>Further, the Silvercorp Board approved and implemented a “Whistle Blower” process available to all directors, officers, employees, and any other party. The Chair of the Audit Committee monitors and reports any alleged wrongdoing to the Audit Committee.</p> <p>The Silvercorp Board approved and implemented a Corporate Disclosure Policy to ensure that communications to the investing public about Silvercorp and its subsidiaries are timely, factual and accurate; and broadly disseminated in accordance with all applicable legal and regulatory requirements.</p> <p>Further, Silvercorp has adopted a Human Rights Statement which is stated below and included on Silvercorp’s website:</p> <p>Silvercorp is committed to supporting the human rights of our employees, local community members and all other stakeholders affected by our operations. We do not tolerate human rights abuses throughout any of our business activities, including child labour or forced labour of any kind. We strive to comply with all applicable regulations and laws and endeavour to act in accordance with the International Bill of Human Rights, the Universal Declaration on Human Rights, and the UN Voluntary Principles on Security and Human Rights. All Silvercorp employees are expected to uphold and respect the human rights of others, including but not limited to complying with Silvercorp’s Code of Business Conduct & Ethics, Anti-Corruption Policy and other Silvercorp policies and procedures.</p>

#	Governance Disclosure Guidelines under NI 58-101	Corporate Governance Practices of Silvercorp
	<p>(b) Describe any steps the Silvercorp Board takes to ensure directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.</p> <p>(c) Describe any other steps the Silvercorp Board takes to encourage and promote a culture of ethical business conduct.</p>	<p>Directors must disclose to Silvercorp's General Counsel any instances in which they perceive they have a material interest in any matter being considered by the Silvercorp Board. If it is determined there is a conflict of interest, or that a material interest is held, the conflict must be disclosed to the Silvercorp Board. In addition, the interested Silvercorp Board member must refrain from voting and exit the meeting while the transaction at issue is being considered by the Silvercorp Board.</p> <p>Silvercorp has also adopted a Diversity and Inclusion Statement, which is set out in item 11 below.</p> <p>The Corporate Governance Committee is responsible for setting the standards of business conduct contained in the Code and for overseeing and monitoring compliance with the Code.</p> <p>The Silvercorp Board sets the tone for ethical conduct throughout Silvercorp by considering and discussing ethical considerations when reviewing the corporate transactions of Silvercorp.</p>
6.	Nomination of directors	
	<p>(a) Describe the process by which the Silvercorp Board identifies new candidates for Silvercorp Board nomination.</p> <p>(b) Disclose whether or not the Silvercorp Board has a nominating committee composed entirely of independent directors. If the Silvercorp Board does not have a nominating committee composed entirely of independent directors, describe what steps the Silvercorp Board takes to encourage an objective nomination process.</p>	<p>The Silvercorp Board is responsible for recommending candidates for nomination to the Silvercorp Board and its committees. The Corporate Governance Committee, which is composed entirely of independent directors, assists the Silvercorp Board by identifying and recommending to the Silvercorp Board suitable candidates for nomination as new directors.</p> <p>The Silvercorp Board has adopted a majority voting policy as advocated by the Canadian Coalition for Good Governance. Each director nominee has agreed to tender their resignation from the board if they obtain less than a majority of votes in favour of their election in uncontested elections.</p> <p>The Corporate Governance Committee is composed entirely of independent directors. Generally, new nominees must have one or more of the following attributes: a track record in general business management, particularly with public companies; special expertise in an area of strategic interest to Silvercorp; and financial literacy. Nominees must also have the ability to devote the required time to Silvercorp, show support for Silvercorp's mission and objectives, and have a willingness to serve Silvercorp and Silvercorp Shareholders.</p>

#	Governance Disclosure Guidelines under NI 58-101	Corporate Governance Practices of Silvercorp
	(c) If the Silvercorp Board has a nominating committee, describe the responsibilities, powers and operation of the nominating committee.	The Silvercorp Board is composed of individuals who will best serve the interest of Silvercorp and assist management in achieving Silvercorp's goals. Members of the Silvercorp Board and representatives of the mining industry are often consulted for potential candidates.
7.	Compensation	
	(a) Describe the process by which the Silvercorp Board determines the compensation for the issuer's directors and officers.	Silvercorp's Chairman and Compensation Committee review overall compensation policies and make recommendations to the Silvercorp Board on the compensation of the CEO and directors. The Compensation Committee has delegated to the CEO authority to set compensation for other officers, however, the Compensation Committee and the Silvercorp Board review such compensation.
	(b) Disclose whether or not the Silvercorp Board has a Compensation Committee composed entirely of independent directors. If the Silvercorp Board does not have a Compensation Committee composed entirely of independent directors, describe what steps the Silvercorp Board takes to ensure an objective process for determining such compensation.	The Compensation Committee is comprised of three directors who are all independent.
	(c) If the Silvercorp Board has a Compensation Committee, describe the responsibilities, powers and operation of the Compensation Committee.	<p>The Compensation Committee of the Silvercorp Board consists of at least three directors, a majority of whom shall be independent. The Committee meets at least annually, or more frequently as required.</p> <p>The purpose of the Compensation Committee is to assist the Silvercorp Board in discharging its duties relating to compensation of the executive officers of the company, the goals are to enable the company to attract, retain and motivate the most qualified talent who will contribute to the long term success of the company by aligning compensation with the company's business objectives and performance, and aligning incentives with the interests of shareholders to maximise shareholders' value. The Compensation Committee's duties and responsibilities are:</p> <ul style="list-style-type: none"> • To make recommendations to the Board with respect to the compensation of senior management and executive officers of the company.

#	Governance Disclosure Guidelines under NI 58-101	Corporate Governance Practices of Silvercorp
		<ul style="list-style-type: none"> • To review the compensation and benefits of the directors in their capacity as directors of the company to ensure that such compensation reflects the responsibilities and risks involved in being a director. • To review and make recommendations to the Board as to the general compensation and benefits policies and practices of the company, including incentive stock options for all employees, consultants, directors and officers. • To review the disclosure to be made of director and executive remuneration in the Management Information Circular prepared for its annual meeting of shareholders. • To ensure there are appropriate training, development and benefit programs in place for management and staff. • To review and make recommendations to the Board for its approval on any special compensation and benefit arrangements. • To review its compensation practices by comparing them to surveys of relevant competitors and to set objective compensation based on this review. • To perform such other functions as the Board may from time to time assign to the Committee. • To review its charter and assess annually the adequacy of this mandate, the effectiveness of its performance, and to recommend changes to the Board for its approval.
8.	<p>Other Silvercorp Board Committees</p> <p>If the Silvercorp Board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.</p>	<p>The Sustainability Committee is comprised of three directors who are all independent. The Silvercorp Board has no other committees other than as noted above. From time to time, the Silvercorp Board will establish special independent committees as required for good corporate governance.</p>

#	Governance Disclosure Guidelines under NI 58-101	Corporate Governance Practices of Silvercorp
9.	Assessments Disclose whether or not the board, its committees and individual directors are regularly assessed with respect to their effectiveness and contribution. If assessments are regularly conducted, describe the process used for the assessments. If assessments are not regularly conducted, describe how the board satisfies itself that the board, its committees, and its individual directors are performing effectively.	<p>The Silvercorp Board and its committees, namely, the Corporate Governance Committee, the Compensation Committee, the Audit Committee and Sustainability Committee, annually, and at such other times as they deem fit, monitor the adequacy of information given to directors, communications between the Board and management and the strategic direction and processes of the Silvercorp Board and its committees. As part of the assessments, the Silvercorp Board and/or the committees review their respective charters and conduct reviews of applicable corporate policies.</p>
10.	Director term limits Disclose whether or not the issuer has adopted term limits for the directors on its board or other mechanisms of board renewal and, if so, include a description of those director term limits or other mechanisms of board renewal. If the issuer has not adopted director term limits or other mechanisms of board renewal, disclose why it has not done so.	<p>Silvercorp has not adopted term limits. The Corporate Governance Committee, however, considers the issue of board renewal on an annual basis when considering the slate of director nominees.</p>
11.	Policies regarding the representation of women on the board Disclose whether the issuer has adopted a written policy relating to the identification and nomination of women directors. If the issuer has not adopted such a policy, disclose why it has not done so.	<p>Currently 20% of the Silvercorp Board members are female. Even though the Board has not adopted a written policy relating to the identification and nomination of female directors or a formal diversity policy, the Silvercorp Board, through its direction to management, continues to promote diversity in the workplace.</p> <p>Silvercorp has adopted a Diversity and Inclusion Statement, as stated below and posted on Silvercorp's website:</p> <p><i>At Silvercorp, we strive to integrate diversity and inclusion into all aspects of Silvercorp and are committed to building a safe and inclusive space for all. Our core values of, Respect, Equality, and Responsibility, guide our efforts and are at the forefront of our decision making across all levels. We value diversity and are dedicated to the equitable treatment of all persons regardless of gender, race, ethnicity, nationality, religion, disability, age, culture, or sexual orientation. We recognize that building an inclusive workplace means providing equal opportunities and safe working environments, as well as cultivating and maintaining a Company culture based on fairness and respect. We are committed to implementing such values</i></p>

#	Governance Disclosure Guidelines under NI 58-101	Corporate Governance Practices of Silvercorp
		<p><i>and opportunities Company wide and aspire to eliminate the barriers that interfere with such opportunities. Ultimately, we believe our people are our greatest asset, and our commitment to integrating diversity and inclusion will not only make us a better Company but will also help us retain and attract the best workforce possible.</i></p>
12.	Consideration of the representation of women in the director identification and selection process	<p>The Silvercorp Board is committed to fostering a diverse workplace environment where:</p> <ul style="list-style-type: none"> • individual differences and opinions are heard and respected; • employment opportunities are based on the qualifications required for a particular position at a particular time, including training, experience, performance, skill and merit; and • inappropriate attitudes, behaviours, actions and stereotypes are not tolerated and will be addressed and eliminated. <p>While the Silvercorp Board informally monitors Silvercorp's adherence to these principles, it continues to work towards formalising its policy on diversity and establishing a formal process for the evaluation of compliance with the policy. While directors will be recruited and promoted based upon their qualifications, abilities and contributions, the Corporate Governance Committee has decided that it will take into account the benefits of gender diversity when making suggestions to the Silvercorp Board for nominations of new directors. It will also add gender diversity as criteria on which to annually assess its effectiveness.</p>
13.	Consideration given to the representation of women in executive officer appointments	<p>Though Silvercorp does not have any female executive officers at this time, Silvercorp has benefited from the distinguished service of a number of women in senior executive positions. From 2006 to 2015, Silvercorp's CFOs were female. While executive officers will continue to be recruited and promoted based upon their qualifications, abilities and contributions, gender diversity is</p>

#	Governance Disclosure Guidelines under NI 58-101	Corporate Governance Practices of Silvercorp
		included in the list of contributions to be considered when selecting candidates.
14.	Silvercorp's Targets Regarding the Representation of Women on the Board and in Executive Officer Positions	
(a)	Disclose whether the issuer has adopted a target regarding women on the issuer's board. If the issuer has not adopted a target, disclose why it has not done so.	Silvercorp has not adopted any targets for the number of women on the Silvercorp Board. Silvercorp will consider it in the future. Also see responses to items 11, 12 and 13 above.
(b)	Disclose whether the issuer has adopted a target regarding women in executive officer positions of the issuer. If the issuer has not adopted a target, disclose why it has not done so.	Silvercorp has not adopted any targets for the number of women in executive officer positions. Silvercorp will consider it in the future. Also see responses to items 11, 12 and 13 above.
15.	Number of women on the Silvercorp Board and in executive officer positions	
	Disclose the number and proportion (in percentage terms) of directors on the issuer's board who are women.	There is currently one female director on the Silvercorp Board representing 20% of the Silvercorp Board. There are currently no women in executive officer positions.

4.5 Health, safety, environment and social responsibility

Silvercorp prioritises environmental protection, as well as ensuring a safe workplace for all employees and contractors at all of our sites. In an effort to further illustrate Silvercorp's commitment to strengthening its management team, both the Ying Mining District and GC Mine have successfully passed the annual review for the Environmental Management System (ISO 14001) certification in Fiscal 2023.

Safety is a priority at Silvercorp. In Fiscal 2023, Silvercorp arranged more than 1,700 safety training sessions, which covered 100% of workers at the Ying Mining District and the GC Mine. Both the Ying Mining District and GC Mine have successfully passed the annual review for the Occupational Health and Safety Management System (ISO 45001) certification in Fiscal 2023.

In addition to the "Green Mine" certification at the "SGX-HZG Mine" (being the certification relating to the SGX Mine and the HZG Mine), "TLP-LME Mine" (being the certification relating to the TLP Mine, the LME Mine and the HPG Mine) at the Ying Mining District and the GC Mine, the DCG Mine at the Ying Mining District is also in the process of applying for the "Green Mine" certification. In Fiscal 2023, Silvercorp processed approximately 480,000 tonnes of waste rock from the Ying Mining District. Silvercorp also developed an automated chemical precipitation system to treat water from underground mines, and then through an automated control system to supply the treated water to the mill for ore processing and to local farmers for irrigation.

The "Green Mine" certification is awarded to mines based on criteria set by the Chinese Ministry of Natural Resources. Assessments evaluate a broad range of topics, including compliance with relevant mining licenses and regulations, environmental impacts, safety record, efficiency of operations and energy use, stakeholder relationships, and environmental impact and managerial structure. To qualify as a "Green Mine", mines need to pass an independent, on-site inspection and assessment and are subject to ongoing supervision and random site audits by the provincial Departments of Natural Resources.

In Fiscal 2023, Silvercorp spent approximately US\$2.0 million in the efforts to reduce its energy and water consumption, to minimize the negative impact of greenhouse gas emissions and water quality, and to comply with the requirements of the "Green Mine" certification.

Silvercorp is committed to creating sustainable value in the communities where our people work and live. Guided by research conducted by our local offices, Silvercorp participates in, and contributes to numerous community programs that typically centre on education and health, nutrition, environmental awareness, local infrastructure and fostering additional economic activity. In addition to the taxes and fees paid to various levels of government in China, in Fiscal 2023, Silvercorp also contributed approximately US\$3.3 million to social programs, including:

- US\$2.8 million contributions to the local county to help improve local infrastructure, environmental protection and help the local community with a clean water access project;
- US\$0.2 million donation to the charity association and local communities to promote community health and poverty reduction in the local communities, with an emphasis on children and seniors, with periodic visits and subsidies; and,
- US\$0.3 million donations to institutions in scholarship or education assistance programs to support children's education at the local and national levels.
- Further details of Silvercorp's approach to environmental, social and governance management can be found in its Sustainability Report which is available on the Silvercorp's website at <https://silvercorpmetals.com/reporting/>.

4.6 Board and senior management

(a) Board

As at the date of this Bidder's Statement, the members of the Silvercorp Board are as follows:

Name and position	Profile
Dr Rui Feng Chairman, Chief Executive Officer, and Director	<p>Dr Rui Feng has been a director of Silvercorp since 2003. Dr Rui Feng has over 28 years of global mining industry experience. He was integral in discovering China Gold International Resources, formerly Jinshan Gold's CSH Gold Mine in China in 2002, and New Pacific Metals' Silver Sand project in Bolivia in 2017. Dr Feng started the now business of Silvercorp in 2003 by acquiring early-stage mining projects in China. Through discovery and development, Silvercorp has become one of the most profitable Canadian mining companies, with multiple mines in China.</p> <p>Dr Feng obtained his B.Sc. and M.Sc. degrees in Geology in China, his Ph.D. in Geological Sciences from the University of Saskatchewan in Canada in 1992, and received a Post-Doctoral fellowship from the National Sciences and Engineering Council of Canada in 1992. Dr Feng supports many community and social causes through contributions made personally and through the actions of the companies he leads.</p> <p>Dr Feng is also a director of Tincorp Metals Inc. (TSX-V:TIN and OTCQX:TINFF).</p>
Paul Simpson	Mr Paul Simpson is a Vancouver based corporate securities lawyer with the firm Armstrong Simpson. Mr. Simpson

Name and position	Profile
Independent Non-Executive Director	<p>holds a Certificate in Mining Law from Osgoode Hall Law School.</p> <p>Mr Simpson has over 25 years of experience, predominately advising public companies with international natural resource property holdings.</p> <p>Mr Simpson is independent within the meaning of NI 52-110. Notwithstanding that Mr Simpson has been a director of Silvercorp since 2003, Silvercorp considers that Mr Simpson is independent for the purposes of the ASX Listing Rules because in Silvercorp's view the long period of engagement does not compromise his independence and will not interfere with his capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of Silvercorp as a whole.</p> <p>Mr Simpson is the lead independent director of Silvercorp, a member of the Audit Committee, a member of the Corporate Governance Committee and a member of the Compensation Committee.</p> <p>Mr Simpson is also a director of New Pacific Metals Corp. (TSE:NUAG and the NYSE American:NEWP).</p>
<p>Yikang Liu</p> <p>Independent Non-Executive Director</p>	<p>Mr. Yikang Liu is the Past Deputy General Secretary of the China Mining Association and the 35th & 36th Vice-Chairman of the Geological Society of China. Before he retired in 2001, Mr. Liu was the Chief Geologist for the former Ministry of Metallurgical Industry of China. While there, he made significant contributions to the amendment of the last China Mineral Resources Law. Mr. Liu, representing Chinese interests, is the person responsible for the establishment of the first Sino-foreign joint venture for mineral exploration in China.</p> <p>Mr. Liu has over 40 years of geological experience in managing, evaluating and exploring mineral projects for the Chinese government in China and in many countries around the world including Bolivia, Ethiopia, Greenland, Iran, Madagascar, Peru, the Philippines and Zambia.</p> <p>In a mentoring capacity, Mr. Liu was an Adjunct Professor of Geology at the Changchun College of Technology, Northeast University and the China University of Geoscience.</p> <p>Mr Liu is independent within the meaning of NI 52-110. Notwithstanding that Mr Liu has been a director of Silvercorp since 2006, Silvercorp considers that Mr Liu is independent for the purposes of the ASX Listing Rules because in Silvercorp's view the long period of engagement does not compromise his independence and will not interfere with his capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of Silvercorp as a whole.</p>

Name and position	Profile
	<p>Mr Liu is a member of the Compensation Committee and a member of the Sustainability Committee.</p>
<p>Marina Katusa Independent Non-Executive Director</p>	<p>Ms. Katusa has over 15 years of business experience in areas including mineral exploration, research analysis, strategic planning, and corporate development. Ms. Katusa earned a Master of Business Administration (MBA) degree, and a Bachelor of Science (BSc) degree in Geology/Earth & Ocean Science from the University of British Columbia.</p> <p>She has been the President and CEO of Canita Consulting Corporation since 2010. She was a member of the Board of Directors of Family Services of Greater Vancouver from 2016 to 2020, Director of Corporate Development and Strategy at GCT Global Container Terminals Inc from 2013 to 2017, and the Vice President of Exeter Resource Corporation from 2012 to 2013.</p> <p>Ms Katusa is also a director of Osisko Development Corp. (TSX-V:ODV and the NYSE:ODV) and was previously on the Board of Family Services of Greater Vancouver.</p> <p>Ms Katusa is independent within the meaning of NI 52-110 and for the purposes of the ASX Listing Rules. Ms Katusa has been a director of Silvercorp since 2017.</p> <p>Ms Katusa is a member of the Audit Committee, a member of the Corporate Governance Committee and a member of the Sustainability Committee.</p>
<p>Ken Robertson Independent Non-Executive Director</p>	<p>Mr. Robertson is a Chartered Professional Accountant with over 35 years of public accounting experiences in Canada and England. He was a partner, and Global Mining & Metals Group Leader with Ernst & Young LLP. During his career at EY in Canada and the United Kingdom, Mr. Robertson developed extensive experience in initial public offerings, financings, governance and securities regulatory compliance.</p> <p>Mr. Robertson holds a Bachelor of Commerce degree from McMaster University and the ICD.D designation from the Institute of Corporate Directors.</p> <p>Mr Robertson is also a director of Mountain Province Diamonds Inc. (TSX:MPVD), and Gold Royalty Corporation. (the NYSE American:GROY).</p> <p>Mr Robertson is independent within the meaning of NI 52-110 and for the purposes of the ASX Listing Rules. Mr Robertson has been a director of Silvercorp since 2022.</p> <p>Mr Robertson is a member of the Audit Committee, a member of the Corporate Governance Committee and a member of the Compensation Committee.</p>

(b) **Senior Management**

As at the date of this Bidder's Statement, the senior management of Silvercorp comprises the following:

Name position	and Profile
Dr Rui Feng Chairman, Chief Executive Officer, and Director	See section 4.6(a).
Derek Liu Chief Financial Officer	Derek Liu is a member of Chartered Professional Accountants of British Columbia. He has held senior accounting positions, such as corporate controller and chief financial officer, at a number of public Canadian mining companies for the past several years including the role of financial controller of Silvercorp from 2006 to 2010. He has an MBA from Laurentian University and is a Canadian citizen. Mr Liu is also a director of Volcanic Gold Mines Inc. (TSX-V:VG and Frankfurt:CKC1) and the Chief Financial Officer of Tincorp Metals Inc. (TSX-V: TIN and OTCQX: TINFF).
Lon Shaver President	Lon Shaver has over 30 years of capital markets and corporate finance experience, mainly focused on the mining sector. He held investment banking roles with Raymond James and Merrill Lynch, assisting corporate issuers with numerous financing and M&A transactions. He began his career in equity research with an institutional sell-side firm and his previous corporate experience includes CFO roles with a publicly-listed mining company and a private technology company. Most recently, he acted as a consultant and advisor, providing corporate development and capital markets support to a number of companies in the resource sector. He has a B.Comm. degree, with a major in finance, and is a CFA charter-holder. Mr Shaver is also a director and Chair of the Audit Committee of Omai Gold Mines Corp. (TSX-V:OMG and OTC:OMGGF), Precipitate Gold Corp. (TSX-V: PRG) and Storm Exploration Inc. (TSX-V:STRM).

(c) **Interests of Silvercorp Directors and senior management**

Interests in Silvercorp Shares

As at the date of this Bidder's Statement, the Silvercorp Directors and senior management have the following beneficial ownership interest in Silvercorp Shares.

Name	Silvercorp Shares beneficially owned (Percentage of outstanding Silvercorp Shares)	Options	RSUs	Beneficial Ownership Total (Percentage on a fully diluted basis)
Rui Feng⁸	5,863,000 (3.31%)	370,000	1,483,000	7,716,000 (4.26%)

⁸ Rui Feng is a director of New Infini and holds 3,672,020 New Infini Shares, representing 8.07% of the issued and outstanding New Infini Shares.

Name	Silvercorp Shares beneficially owned (Percentage of outstanding Silvercorp Shares)	Options	RSUs	Beneficial Ownership Total (Percentage on a fully diluted basis)
Paul Simpson ⁹	1,151,485 (0.65%)	48,000	41,999	1,241,484 (0.66%)
Yikang Liu ¹⁰	115,334 (0.07%)	48,000	41,999	205,333 (0.11%)
Marina Katusa ¹¹	156,001 (0.09%)	48,000	41,999	246,000 (0.13%)
Ken Robertson	6,667 (0.004%)	10,000	33,333	50,000 (0.03%)
Derek Liu ¹²	207,510 (0.12%)	110,000	104,990	422,500 (0.22%)
Lon Shaver ¹³	161,082 (0.09%)	70,000	117,918	349,000 (0.19%)

No fees or benefits have been given or agreed to be given to any Silvercorp Director or senior manager in connection with the Offer.

Material contracts with directors and executive officers

There are no material contracts between Silvercorp and its directors or senior executive officers other than their relevant appointment agreement or employment agreement.

Other director compensation

Non-Executive Directors of Silvercorp are compensated for acting as directors, and may be granted Silvercorp RSUs pursuant to the policies of the TSX and Silvercorp's Omnibus Plan. The Non-Executive Directors may also be awarded non-equity incentive. The Silvercorp Board as a whole determines the Silvercorp RSUs and non-equity incentive for each director, after considering recommendation by the Compensation Committee.

The following table shows a breakdown of the fees payable to independent directors in Fiscal 2023.

Nature of Board duty	Amount (CAD\$)
Annual retainer fee for each Non-Executive Director	\$60,000
Additional annual retainer fee for Mr Simpson as the lead independent director	\$10,000

- ⁹ Paul Simpson is director of New Infini and holds 154,002 New Infini Shares, representing 0.34% of the issued and outstanding New Infini Shares.
- ¹⁰ Yikang Liu holds 88,001 New Infini Shares, representing 0.19% of the issued and outstanding New Infini Shares.
- ¹¹ Marina Katusa holds 118,802 New Infini Shares, representing 0.26% of the issued and outstanding New Infini Shares.
- ¹² Derek Liu holds 132,002 New Infini Shares, representing 0.29% of the issued and outstanding New Infini Shares.
- ¹³ Lon Shaver holds 118,801 New Infini Shares, representing 0.26% of the issued and outstanding New Infini Shares. Mr. Shaver resigned as a director of New Infini on 31 December 2020.

Nature of Board duty	Amount (CAD\$)
Additional annual retainer fee for Chair of the Audit Committee	\$18,000
Additional annual retainer fee for Chair of the Compensation Committee	\$15,000
Additional annual retainer fee for Chair of the Corporate Governance and Nominating Committee	\$12,000
Additional annual retainer fee for Chair of the Sustainability Committee	\$5,000

4.7 Arrangements with employees

(a) Employment agreements with CEO, CFO and President

Below is a summary of the employment agreements with Silvercorp's CEO, CFO and President.

Dr. Rui Feng, CEO, Chairman and Director

Dr. Rui Feng entered into an agreement to provide senior executive services to Silvercorp, at a base annual salary or consulting fee, which will be reviewed and adjusted by the Silvercorp Board from time to time. Under the agreement, either party may terminate the agreement for any reason upon thirty (30) days written notice. In the event that Silvercorp provides notice to terminate this agreement, it shall pay Dr Rui Feng a termination fee equal to the full amount of the annual consulting fee, plus an additional 1/6th of the annual consulting fee for each year of service provided which commenced in September 2003.

Derek Liu, CFO

On June 26, 2019, Silvercorp entered into an agreement to engage Derek Liu to provide services as Chief Financial Officer of Silvercorp at a base annual salary, which is reviewed and adjusted from time to time by Silvercorp. Derek Liu agreed to a "Non-Competition Period" of twelve months after the termination of his employment agreement.

Lon Shaver, President

On July 16, 2018, Silvercorp entered into an employment agreement to engage Lon Shaver as Vice President of Silvercorp, at a base salary, which is reviewed and adjusted from time to time by Silvercorp. In September 2023, Lon Shaver was promoted to the President of Silvercorp. Lon Shaver agreed to a "Non-Competition Period" of twelve months after the termination of his employment agreement.

Change of Control Agreements

Silvercorp has in effect change of control agreements with each of Dr Rui Feng and Derek Liu. The terms of the change of control agreements provide that if an executive officer's employment agreement or consulting agreement, as applicable, is terminated, other than for cause, within 18 months after a "Change of Control", the executive officer shall be entitled to: (i) a lump sum payment equal to 18 months base compensation plus any other amounts owed for compensation in arrears, (ii) bonus, if awarded, (iii) continuation of benefits for 18 months, (iv) immediate vesting of all outstanding Options, registered share units and other rights and entitlements, (v) payment of recruitment services to assist in securing alternative employment. Silvercorp is responsible for the payment of the Change of Control payments and

there are no requirements to receiving a Change of Control payment (such as execution of a non-competition agreement, non-solicitation agreement or confidentiality agreement).

(b) **Employee incentive schemes**

Short Term Incentive Plan

Silvercorp does not maintain any short-term incentive plans for its employees but does award annual performance bonuses, as discussed below.

Performance Bonuses

Employees are paid performance bonuses commensurate with those offered by other companies in the same industry as Silvercorp, with consideration also given to Silvercorp's performance, individual performance and internal relativity. Considerations for employees' performance bonus are based primarily on two elements: (1) employees' personal performance; and (2) Silvercorp's performance.

The Bonus Plan provides a variable component of total cash compensation that is directly related to the operating and financial performance of Silvercorp. A total bonus pool is calculated using measurable parameters that align executive team interests with that of the Silvercorp Shareholders. A bonus pool equal to 2.5% of cash flows from operations (excluding changes in non-cash working capital) may be available to executives, other corporate headquarter employees, and certain high-ranking managers at the mine operations. From this available pool, a percentage of base salary will be awarded to an employee when Silvercorp's performance and personal performance achieve target performance for the year. The actual bonus percentage will be determined based on a weighting for achieving Silvercorp's performance, including metal production, cost, and environmental and safety performance, and personal performance according to the level of position, as shown in the following table:

Positions	Target Bonus as % of Base Salary⁽¹⁾	Company Performance⁽²⁾	Personal Performance⁽³⁾
CEO/Executive Chairman	100%	70%	30%
CFO	50%	60%	40%
Senior managers	30%	50%	50%
Other head office employees	20%	20%	80%

Notes:

- (1) For each individual, the bonus payable may be 30% of their target bonus to maximum of 200% of base salary.
- (2) Silvercorp's Performance component is based on the achievement of metal production (silver ounce equivalent), all-in sustaining production costs per tonne, and safety & environment goals. Achieving metal production targets will account for 45%, all-in sustaining production costs per tonne targets will account for 40%, and safety & environment targets 15%. If a safety & environment accident occurs and causes regulatory, legal or social damage to Silvercorp, the result of safety & environment component will be set as zero.
- (3) The Personal Performance component is based on contribution to Silvercorp's core business achievement, satisfaction to Silvercorp's requirement or core job requirements, personal skill, self-development and initiatives, attendance, familiarity with business, work planning and performance, provide leadership and guidance to other employees or follow Silvercorp's work instructions and leadership, human resource team building, shareholder communications, and Information Technology building. On an annual basis, employees and their supervisors set performance expectations and review progress toward the accomplishment of these goals.

Payment of any bonus is discretionary, is subject to final approval by Silvercorp Board and revision by the Compensation Committee as deemed necessary.

Share-Based Awards

Please see section 5.5 for information in relation to Silvercorp's incentive equity plan.

4.8 Historical financial information

(a) Overview and basis of preparation

The historical financial information in this section relates to Silvercorp on a standalone basis and, accordingly, does not reflect the impact of the Offer.

The historical information in this section has been extracted from Silvercorp's audited consolidated financial statements for Fiscal 2021 to Fiscal 2023, and the unaudited consolidated financial statements for 6 months ended 30 September 2023. Silvercorp's fiscal year starts on 1 April and ends on 31 March.

The full financial accounts for Fiscal 2021 to Fiscal 2023 (inclusive of all notes) of Silvercorp are published in Silvercorp's audited consolidated financial statements for those fiscal years, audited in accordance with the standards of the Public Company Accounting Oversight Board (United States) (**PCAOB**). The historical financial information set out in this section 4.8 is intended to provide an overview of Silvercorp's historical financial performance, position and cash flows, and is not intended to provide the level of detail or understanding which is available from a review of Silvercorp's published financial reports (which include full financial accounts and the notes to those accounts) which are available on SEDAR+, EDGAR and Silvercorp's website at <https://silvercorpmetals.com/>.

(b) **Historical income statements**

SILVERCORP METALS INC.

CONSOLIDATED STATEMENTS OF INCOME

(Expressed in US Dollars except per share figures)

	Six Months Ended September 30,		Year Ended March 31,	
	2023	2023	2022	2021
Revenue	\$ 113,998	\$ 208,129	\$ 217,923	\$ 192,105
Cost of mine operations				
Production costs	45,566	91,769	88,537	69,544
Depreciation and amortization	14,178	27,607	25,082	21,434
Mineral resource taxes	2,963	5,095	5,952	5,004
Government fees and other taxes	1,408	2,388	2,643	2,374
General and administrative	5,639	10,487	11,408	9,587
	69,754	137,346	133,622	107,943
Income from mine operations	44,244	70,783	84,301	84,162
Corporate general and administrative	7,460	13,249	14,181	12,365
Property evaluation and business development	223	438	921	(3,237)
Foreign exchange (gain) loss	913	(4,842)	(267)	7,746
Loss (gain) on equity investments designed as FVTPL	(483)	2,318	3,485	(7,732)
Share of loss in associates	1,345	2,901	2,188	1,846
Dilution loss on investment in associate	(733)	107	-	-
Loss (gain) on disposal of plant and equipment	30	444	210	293
Impairment of mineral rights and properties	-	20,211	-	-
Other expenses (income)	529	2,210	1,018	1,157
Income from operations	34,960	33,747	62,565	71,724
Finance income	3,236	4,654	5,217	3,767
Finance costs	(114)	(3,258)	(10,710)	(1,988)
Income before income taxes	38,082	35,143	57,072	73,503
Income tax expense	10,099	14,043	13,788	12,994
Net income	\$ 27,983	\$ 21,100	\$ 43,284	\$ 60,509
Attributable to:				
Equity holder of the Company	\$ 20,267	\$ 20,608	\$ 30,634	\$ 46,376
Non-controlling interests	7,716	492	12,650	14,133
	\$ 27,983	\$ 21,100	\$ 43,284	\$ 60,509
Earnings per share attributable to the equity holders of the Company				
Basic earnings per share	\$ 0.11	\$ 0.12	\$ 0.17	\$ 0.27
Diluted earnings per share	\$ 0.11	\$ 0.12	\$ 0.17	\$ 0.26
Weighted Average Number of Shares Outstanding – Basic	176,885,599	176,862,877	176,534,501	174,868,256
Weighted Average Number of shares Outstanding – Diluted	179,792,368	178,989,549	178,323,968	177,074,004

SILVERCORP METALS INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(Expressed in thousands of U.S. dollars)

	Six Months Ended September 30, 2023	2023	2022	Year Ended March 31, 2021
Net income	\$27,983	\$21,100	\$43,284	\$60,509
Other comprehensive (loss) income, net of taxes:				
Items that may subsequently be reclassified to net income or loss:				
Currency translation adjustment, net of tax of \$nil	(24,386)	(45,644)	13,649	44,032
Share of other comprehensive (loss) income in associate	(3)	(886)	95	(2,324)
Reclassification to net income upon ownership dilution of investment in associate	(34)			
Items that will not subsequently be reclassified to net income or loss:				
Change in fair value on equity investments designated as FVTOCI, net of tax of \$nil	(108)	(1,312)	(1,526)	12,551
Income tax effect	-	-	389	-
Other comprehensive (loss) income, net of taxes	\$(24,531)	\$(47,842)	\$12,607	\$54,259
Attributable to:				
Equity holders of the Company	\$(20,071)	\$(41,290)	\$10,597	\$49,039
Non-controlling interests	(4,460)	(6,552)	2,010	5,220
	\$(24,531)	\$(47,842)	\$12,607	\$54,259
Total comprehensive (loss) income	\$3,452	\$(26,742)	\$55,891	\$114,768
Attributable to:				
Equity holders of the Company	\$196	\$(20,682)	\$41,231	\$95,415
Non-controlling interests	3,256	(6,060)	14,660	19,353
	\$3,452	\$(26,742)	\$55,891	\$114,768

(c) **Historical statements of financial position**

SILVERCORP METALS INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in thousands of U.S. dollars)

	As at September 30, 2023	2023	2022	As at March 31, 2021
ASSETS				
Current Assets				
Cash and cash equivalents	\$119,098	\$ 145,692	\$ 113,302	\$ 118,735
Short-term investments	69,993	57,631	99,623	80,357
Trade and other receivables	1,643	1,806	3,615	1,485
Current portion of lease receivable	-	-	182	213
Inventories	7,949	8,343	9,124	9,768
Due from related parties	260	88	66	847
Income tax receivable	40	582	928	4,978
Prepays and deposits	5,275	4,906	5,468	4,806
	204,258	219,048	232,308	221,189
Non-current Assets				
Long-term prepaids and deposits	1,322	871	974	409
Long-term portion lease receivable	-	-	-	183
Reclamation deposits	6,373	6,981	8,876	8,513
Other investments	36,613	15,540	17,768	15,733

SILVERCORP METALS INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in thousands of U.S. dollars)

	As at September 30, 2023		As at March 31, 2022	
	2023	2023	2022	2021
Investment in associates	55,088	50,695	56,841	53,457
Plant and equipment	479			
Mineral rights and properties	76,511	80,059	79,418	75,729
Deferred income tax assets	299,416	303,426	326,448	277,429
	362	179	905	-
TOTAL ASSETS	\$680,422	\$ 676,799	\$ 723,538	\$ 652,642
LIABILITIES AND EQUITY				
Current Liabilities				
Accounts payable and accrued liabilities	\$44,877	\$ 36,737	\$ 39,667	\$ 30,298
Current portion of lease obligation	273	269	649	657
Deposits received	3,851	4,090	5,445	4,857
Income tax payable	362	144	277	1,363
	49,928	41,240	46,038	37,175
Non-current Liabilities				
Long-term portion of lease obligation	183	314	614	1,084
Deferred income tax liabilities	47,818	48,096	48,033	40,792
Environmental rehabilitation	6,507	7,318	8,739	7,863
Total Liabilities	104,436	96,968	103,424	86,914
Equity				
Share capital	256,113	255,684	255,444	250,199
Equity reserves	(14,851)	3,484	43,250	29,469
Retained earnings	247,938	229,885	213,702	187,906
Total equity attributable to the equity holders of the Company	489,200	489,053	512,396	467,574
Non-controlling interests	86,786	90,778	107,718	98,154
Total Equity	575,986	579,831	620,114	565,728
TOTAL LIABILITIES AND EQUITY	\$680,422	\$ 676,799	\$ 723,538	\$ 652,642

(d) **Historical statements of cash flows**

SILVERCORP METALS INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in thousands of U.S. dollars)

	Six Months Ended September 30, 2023		Year Ended March 31, 2022	
	2023	2023	2022	2021
Cash provided by Operating activities				
Net Income	\$ 27,983	\$21,100	\$43,284	\$60,509
Add (deduct) items not affecting cash:				
Finance costs	114	3,258	10,710	1,988
Income tax expense	10,099	14,043	13,788	12,994
Depreciation, amortisation and depletion	15,015	29,370	27,028	23,224
Loss (gain) on equity investments designed as FVTPL	(483)	2,318	3,485	(7,732)
Share of loss in associates	1,345	2,901	2,188	1,846
Dilution loss on investment in associate	(733)	107	-	-
Impairment of mineral rights and properties	-	20,211	-	-
Loss on disposal of plant and equipment	30	444	210	293

SILVERCORP METALS INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in thousands of U.S. dollars)

	Six Months Ended September 30,		Year Ended March 31,	
	2023	2023	2022	2021
Share-based compensation	2,737	3,842	6,096	4,307
Reclamation expenditures	(261)	(361)	(251)	(150)
Income taxes paid	(6,317)	(9,537)	(5,512)	(14,347)
Interest paid	(13)	(43)	(72)	(95)
Changes in non-cash operating working capital	8,209	(2,010)	6,424	3,075
Net cash provided by operating activities	57,725	85,643	107,378	85,912
Investing activities				
Plant and equipment Additions	(6,557)	(13,293)	(10,729)	(8,972)
Proceeds on disposals	472	215	74	51
Mineral rights and properties Capital expenditures	(23,971)	(41,664)	(43,341)	(35,661)
Acquisition	-	-	(13,135)	(7,566)
Proceeds on disposal	-	-	-	295
Reclamation deposits Paid	(29)	(317)	(293)	(460)
Refund	33	1,152	-	1,855
Other investments Acquisition	(22,059)	(3,702)	(8,235)	(12,708)
Proceeds on disposals	840	1,035	1,362	19,301
Investment in associates	(4,982)	(2,055)	(5,313)	(7,131)
Short-term investment Purchase	(29,464)	(182,299)	(171,215)	-
Redemption	13,537	214,232	143,982	9,826
Principal received on lease receivable	-	172	217	196
Net cash used in investing activities	(72,180)	(26,524)	(106,626)	(40,974)
Financing activities				
Principal payments on lease obligation	(129)	(597)	(637)	(563)
Cash dividends distributed	(2,214)	(4,425)	(4,413)	(4,368)
Non-controlling interests Contribution	-	-	-	2,500
Distribution	(7,248)	(10,880)	(5,096)	(3,239)
Related parties Payments made	-	-	-	(744)
Repayments received	-	-	812	1,423
Proceeds from issuance of common shares	-	-	1,908	3,538
Common shares repurchased as part of normal course issuer bid	(572)	(2,078)	-	-
Net cash used in financing activities	(10,163)	(17,980)	(7,426)	(1,453)
Effect of exchange rate changes on cash and cash equivalents	(1,976)	(8,749)	1,241	9,473
Increase (decrease) in cash and cash equivalents	(26,594)	32,390	(5,433)	52,958
Cash and cash equivalents, beginning of the period	145,692	113,302	118,735	65,777
Cash and cash equivalents, end of the period	\$119,098	\$145,692	\$113,302	\$118,735

(e) **Management commentary on historical financials**

Full commentary on Silvercorp financial and operational results for the years ended 31 March 2021, 2022, and 2023 and for the six months ended 30 September 2023 can be found in Silvercorp's published MD&As, which are available on SEDAR+,

EDGAR and Silvercorp's website at <https://silvercorpmetals.com/>. Past performance is no guarantee of future results.

(f) **Material changes in financial position (since 30 September 2023)**

The most recent published financial statements of Silvercorp, are provided in its unaudited interim condensed consolidated financial statements for the three and six months ended 30 September 2023.

To the knowledge of the Silvercorp Directors, there has not been any material change in the financial position or performance of Silvercorp since 30 September 2023.

4.9 Current trading and outlook

(a) **Production and production costs**

As noted in section 4.2, Silvercorp prepares its CIM Mineral Reserves and CIM Mineral Resources estimates in accordance with NI 43-101, which is different to the reporting standard ordinarily applicable to ASX listed companies, the JORC Code. Because the estimates have not been prepared in accordance with the JORC Code, they are classified as "foreign estimates" under the ASX Listing Rules. See section 12.9 for an overview of the differences between NI 43-101 and JORC.

In relation to the reliability of the foreign estimates of CIM Mineral Resources and CIM Mineral Reserves (of Silvercorp) contained in this section 4.9, it should be noted that:

- the foreign estimates are not reported in accordance with the JORC Code;
- a Competent Person has not done sufficient work to classify the foreign estimates as Mineral Resources or Ore Reserves in accordance with the JORC Code;
- it is currently uncertain whether, following evaluation and/or further exploration work, these foreign estimates will be able to be reported as Mineral Resources or Ore Reserves in accordance with the JORC Code; and
- these foreign estimates have not been published with all the supporting data and such foreign estimates have not been verified by independent third parties.
- The following general assumptions have been applied in the preparation of the production and production costs outlook in this section 4.9(a):
 - ore and metal production guidance at the Ying Mining District and the GC Mine is based on internal mine plans for each mine developed by Silvercorp's in-house personnel, site geologists and mining engineers, who review on an ongoing basis existing reserves and resources, mine depletion, and areas that can be accessed through existing and/or future mine development;
 - projected recoveries are based on the prior year's operating experience;
 - cash cost and all in sustaining production cost (AISC) are non-IFRS measures;
 - cash cost per tonne of ore processed is the total of mining costs per tonne, shipping costs per tonne, and milling costs per tonne. All-in sustaining production cost per tonne is based on Silvercorp's cash cost, and further includes general and administrative expenses, government fees and other taxes, reclamation cost accretion, lease liability payments, and sustaining capital expenditures;

- projected costs are based on the prior year's operating experience and new contracts entered into. US Dollar amounts assume foreign exchange rates at RMB6.65/CAD\$1.30 in Fiscal 2024; and
- the production guidance and cost guidance assume Silvercorp continues its operations according to plan and there are no material disruptions to the continuity of operations at the Ying Mining District or the GC Mine.

In the fiscal year ending 31 March 2024 (**Fiscal 2024**), Silvercorp expects to mine and process 1,100,000 to 1,170,000 tonnes of ore, yielding approximately 6.8 to 7.2 million ounces of silver, 4,400 to 5,500 ounces of gold, 70.5 to 73.8 million pounds of lead, and 27.7 to 29.7 million pounds of zinc. Fiscal 2024 production guidance represents production increases of approximately 3% to 8% in ores, 0% to 25% in gold, 4% to 8% in lead, and 18% to 26% in zinc compared to the production results in Fiscal 2023.

	Ore processed (tonnes)	Head grades				Metal production				Production costs	
		Gold (g/t)	Silver (g/t)	Lead (%)	Zinc (%)	Gold (koz)	Silver (Koz)	Lead (Klbs)	Zinc (Klbs)	Cash cost (\$/t)	AISC (\$/t)
Fiscal 2024 Guidance											
Gold ore	30,000-40,000	3.6	43	0.8	0.5	3.2-4.2	40-50	450-600	90-120	-	-
Silver ore	740,000-770,000	0.1	279	4.1	0.9	1.2-1.3	6,140-6,450	62,500-65,030	9,030-9,400	-	-
Ying Mining District	770,000-810,000	0.2	267	3.9	0.8	4.4-5.5	6,180-6,500	62,950-65,630	9,120-9,520	90.4-92.6	143.8-148.8
GC Mine	330,000-360,000	-	75	1.2	2.9	0-0	620-670	7,530-8,180	18,530-20,140	50.3-52.3	79.6-84.2
Consolidated	1,100,000-1,170,000	0.1	208	3.1	1.4	4.4-5.5	6,800-7,170	70,480-73,810	27,650-29,660	78.2-80.5	136.4-142.4

In Fiscal 2024, Silvercorp plans to mine and process 770,000 to 810,000 tonnes of ore at the Ying Mining District, including 30,000 – 40,000 tonnes of gold ore with an expected head grade of 3.6 g/t gold, to produce approximately 4,400 to 5,500 ounces of gold, 6.2 to 6.5 million ounces of silver, 62.9 to 65.6 million pounds of lead, and 9.1 to 9.5 million pounds of zinc. Fiscal 2024 production guidance at the Ying Mining District represents production increases of approximately 0% to 5% in ore, 0% to 25% in gold, 3% to 8% in silver, 4% to 9% in lead, and 28% to 33% in zinc compared to the production results in Fiscal 2023. The cash production cost is expected to be US\$90.4 to US\$92.6 per tonne of ore, and the all-in sustaining production cost is estimated at US\$143.8 to US\$148.8 per tonne of ore processed, representing a 2% to 4% decrease in cash production cost and a range of a 2% decrease to a 2% increase in all-in sustaining production cost compared to the results in Fiscal 2023.

In Fiscal 2024, Silvercorp plans to mine and process 330,000 to 360,000 tonnes of ore at the GC Mine to produce 620 to 670 thousand ounces of silver, 7.5 to 8.2 million pounds of lead, and 18.5 to 20.1 million pounds of zinc. Fiscal 2024 production guidance at the GC Mine represents production increases of approximately 10% to 20% in ore, 5% to 13% in silver, -4% to 5% in lead, and 14% to 23% in zinc production compared to the production results in Fiscal 2023. The cash production cost is expected to be US\$50.3 to US\$52.3 per tonne of ore, and the all in sustaining production cost is estimated at US\$79.6 to US\$84.2 per tonne of ore processed, representing a 11% to 14% decrease in cash production cost and a range of a 4% decrease to an 1% increase in all-in sustaining production cost compared to the results in Fiscal 2023.

The following table summarises the production and production costs achieved for the six months ended 30 September 2023 compared to the above Fiscal 2024 guidance.

	Ore processed (tonnes)	Head grades				Metal production				Production costs	
		Gold (g/t)	Silver (g/t)	Lead (%)	Zinc (%)	Gold (oz)	Silver (Koz)	Lead (Klbs)	Zinc (Klbs)	Cash cost (\$/t)	AISC (\$/t)
Six months ended September 30, 2023											
Ying Mining District	421,677	0.14	244	3.5	0.7	4,010	3,103	30,400	4,310	84.54	138.42
GC Mine	134,525	-	75	1.3	2.7	-	267	3,481	7,112	64.25	94.12
Consolidated	556,202	0.10	203	3.0	1.2	4,010	3,370	33,881	11,422	79.53	141.53
Fiscal 2024 Guidance											
Ying Mining District	770,000-810,000	0.20	267	3.9	0.8	4,400 - 5,500	6,180-6,500	62,950-65,630	9,120-9,520	90.4-92.6	143.8-148.8
GC Mine	330,000-360,000	-	75	1.2	2.9	0-0	620-670	7,530-8,180	18,530-20,140	50.3-52.3	79.6-84.2
Consolidated	1,100,000-1,170,000	0.14	208	3.1	1.4	4,400 - 5,500	6,800-7,170	70,480-73,810	27,650-29,660	78.2-80.5	136.4-142.4
% of Fiscal 2024 Guidance*											
Ying Mining District	53%	70%	91%	90%	88%	81%	49%	47%	46%	92%	95%
GC Mine	39%	0%	100%	108%	93%	0%	41%	44%	37%	125%	115%
Consolidated	49%	71%	98%	97%	86%	81%	48%	47%	40%	100%	102%
*Percentage calculated based on mid-point of the related Fiscal 2024 Guidance											

*Percentage calculated based on mid-point of the related Fiscal 2024 Guidance

(b) Development and capital expenditures

The table below summarises the work plan and estimated capital expenditures in Fiscal 2024.

	Capitalized Development Work and Expenditures								Expensed	
	Ramp Development		Exploration and Development Tunnels		Diamond Drilling		Equipment, Mill and TSF	Total	Mining Preparation Tunnels	Diamond Drilling
	(Metres)	(\$ Million)	(Metres)	(\$ Million)	(Metres)	(\$ Million)	(\$ Million)	(\$ Million)	(Metres)	(Metres)
Fiscal 2024 Capitalized Work Plan and Capita Expenditure Estimates										
Ying Mining District	8,800	6.3	57,200	23.9	146,400	4.2	21.8	56.2	25,800	71,400
GC Mine	-	-	14,700	6.4	30,200	0.8	0.7	7.9	5,300	24,800
Corporate and others	-	-	-	-	-	-	0.6	0.6	-	-
Consolidated	8,800	6.3	71,900	30.3	176,600	5.0	23.1	64.7	31,100	96,200

For Fiscal 2024, on a consolidation basis, Silvercorp plans to: i) complete 8,800 metres of tunnels as major access and transportation ramps at estimated capitalised expenditures of US\$6.3 million, representing a 27% increase in meterage and a 21% increase in cost compared to the results in Fiscal 2023; ii) complete 71,900 metres of exploration and mining development tunnels at estimated capitalised expenditures of US\$30.3 million, representing a decrease of 4% in meterage and an increase of 5% in cost compared to the results in Fiscal 2023; iii) complete and capitalise 176,600 metres of diamond drilling to upgrade and explore mineral resources for future production at an estimated cost of US\$5.0 million, representing an increase of 14% in meterage and a decrease of 40% in cost compared to the results in Fiscal 2023; and iv) spend US\$23.1 million on equipment, the XRT Ore Sorting System, a paste backfill plant, the mill and a tailing storage facility. In addition to the capitalised tunnelling and drilling work, Silvercorp also plans to complete and expense 31,100 metres of mining preparation tunnels and 96,200 metres of diamond drilling.

The Ying Mining District plans to: i) complete 8,800 metres of tunnels as major access and transportation ramps at estimated capitalised expenditures of US\$6.3 million, representing an increase of 27% in meterage and an increase of 21% in cost compared to the results in Fiscal 2023; ii) complete 57,200 metres of exploration and mining development tunnels at estimated capitalised expenditures of US\$23.9 million, representing a decrease of 8% in meterage and a decrease of 4% in cost compared to the results in Fiscal 2023; iii) complete and capitalise 146,400 metres of diamond drilling to upgrade and explore mineral resources for future production at an estimated cost of US\$4.2 million, representing an increase of 18% in meterage and a decrease of 26% in cost compared to the results in Fiscal 2023; and iv) spend US\$21.8 million on equipment and facilities, including US\$12.9 million on the construction of the TSF, US\$3.0 million to build a paste backfill plant and a XRT Ore tailing storage facility system to optimise the mine plan and improve ore processing head grades, and US\$1.2 million to improve certain power facilities and to replace some electrical cables. Silvercorp still plans to complete the tailing storage facility in 2024 and is currently delaying the construction of the new 3,000 TPD mill by one year. In addition to the capitalised tunnelling and drilling work, Silvercorp also plans to complete and expense 25,800 metres of mining preparation tunnels and 71,400 metres of diamond drilling at the Ying Mining District, representing decreases of 22% and 43%, respectively, compared to the results in Fiscal 2023.

The GC Mine plans to: i) complete and capitalise 14,700 metres of exploration and development tunnels at estimated capital expenditures of US\$6.4 million, an increase of 16% in meterage and an increase of 60% in cost mainly due to increased tunnel dimension to allow small scale mechanized equipment access, compared to the expected results in Fiscal 2023; ii) complete and capitalise 30,200 metres of diamond drilling to upgrade and explore mineral resources for future production at an estimated cost of US\$0.8 million, representing a 37% increase in meterage and a relatively the same cost compared to the results in Fiscal 2023; and iii) spend US\$0.7 million on equipment and facilities. The total capital expenditures at the GC Mine are budgeted at US\$7.9 million in Fiscal 2024, down 38% compared to US\$12.7 million in Fiscal 2023. In addition to the capitalised tunnelling and drilling work, Silvercorp also plans to complete and expense 5,300 metres of tunnels and 24,800 metres of underground drilling at the GC Mine, representing decreases of 25% and 43%, respectively, compared to the expected results in Fiscal 2023.

The following table summarises the development work and capitalised expenditures for the six months ended 30 September 2023 compared to the above Fiscal 2024 guidance.

	Capitalized Development and Expenditures								Expensed	
	Ramp Development		Exploration and Development Tunnels		Drilling		Equipment & Mill and TSF		Mining Preparation Tunnels	Drilling
	(Metres)	(\$ Thousand)	(Metres)	(\$ Thousand)	(Metres)	(\$ Thousand)	(\$ Thousand)	(\$ Thousand)	(Metres)	(Metres)
Six months ended September 30, 2023										
Ying Mining District	5,756	\$ 4,205	39,550	\$ 15,243	73,693	\$ 2,632	5,696	\$ 27,776	17,903	48,905
GC Mine	-	195	5,690	1,722	13,708	938	193	3,048	4,463	24,477
Corporate and other	-	-	-	-	-	127	23	150	-	-
Consolidated	5,756	\$ 4,400	45,240	\$ 16,965	87,401	\$ 3,697	\$ 5,912	\$ 30,974	22,366	73,382
Fiscal 2024 Guidance										
Ying Mining District	8,800	6,300	57,200	23,900	146,400	4,200	21,800	56,200	25,800	71,400
GC Mine	-	-	14,700	6,400	30,200	800	700	7,900	5,300	24,800
Corporate and other	-	-	-	-	-	-	600	600	-	-
Consolidated	8,800	\$ 6,300	71,900	\$ 30,300	176,600	\$ 5,000	\$ 23,100	\$ 64,700	31,100	96,200
Percentage of Fiscal 2024 Guidance										
Ying Mining District	65%	67%	69%	64%	50%	63%	26%	49%	69%	68%
GC Mine	-	-	39%	27%	45%	117%	28%	39%	84%	99%
Corporate and other	-	-	-	-	0%	0%	4%	25%	-	-
Consolidated	65%	70%	63%	56%	49%	74%	26%	48%	72%	76%

(c) Kuanping Project

Activities at the Kuanping Project in Fiscal 2024 have been focused on completing studies and reports as required to construct the mine. As of 30 September 2023, the Company has completed studies on environmental, water, and soil assessments, and all these reports have been submitted to and approved by the relevant provincial authorities. An updated mineral resources estimate report prepared as per Chinese standards is currently under review by the relevant provincial authorities. Silvercorp is also in the process of preparing a report, incorporating the mineral resources development and utilisation plan, reclamation plan, and environmental rehabilitation plan, to be submitted to the relevant provincial authorities before the commencement to construct the mine.

4.10 Litigation

No member of the Silvercorp Group is currently involved in any material litigation.

4.11 Transactions with related parties

Silvercorp is a party to services and administrative costs reallocation agreements with New Pacific Metals and Tincorp Metals, in each of which Silvercorp holds a material interest (27.4% and 29.3% respectively).

Silvercorp recovers costs for services rendered to New Pacific Metals and expenses incurred on behalf of New Pacific Metals pursuant to a services and administrative costs reallocation agreement. During the fiscal year ended 31 March 2023, Silvercorp recovered US\$1.0 million (fiscal year ended 31 March 2022 - US\$0.7 million) from New Pacific Metals for services rendered and expenses incurred on behalf of New Pacific Metals. During the three and six

months ended 30 September 2023, Silvercorp recovered US\$0.2 million and \$0.5 million (three and six months ended 30 September 2022 - US\$0.2 million and US\$0.3 million) from New Pacific Metals for services rendered and expenses incurred on behalf of New Pacific Metals.

Silvercorp recovers costs for services rendered to Tincorp Metals and expenses incurred on behalf of Tincorp Metals pursuant to a services and administrative costs reallocation agreement. During the fiscal year ended 31 March 2023, Silvercorp recovered US\$0.2 million (fiscal year ended 31 March 2022 - US\$0.2 million) from Tincorp Metals for services rendered and expenses incurred on behalf of Tincorp Metals. During the three and six months ended 30 September 2023, Silvercorp recovered US\$0.05 million and US\$0.13 million (three and six months ended 30 September 2022 - US\$0.04 million and US\$0.10 million) from Tincorp Metals for services rendered and expenses incurred on behalf of Tincorp Metals. On 8 January 2024, Silvercorp entered into a credit facility agreement with Tincorp Metals to grant a right to Tincorp Metals to draw down up to US\$1.0 million from Silvercorp. The credit facility agreement has a maturity date of 31 January 2025 and Silvercorp will receive 350,000 common shares of Tincorp Metals in consideration for granting this credit facility.

4.12 Publicly available information about Silvercorp

Additional information on Silvercorp can be found on Silvercorp's website www.silvercorpmetals.com or on SEDAR+ website www.sedarplus.ca. Additional information, including directors' and officers' remuneration and indebtedness, principal holders of Silvercorp's securities and securities authorised for issuance under equity compensation plans, if applicable, is contained in Silvercorp's information circular for its most recent annual meeting of shareholders that involved the election of directors. Additional information is provided in Silvercorp's most recent financial statements and the management's discussion and analysis for its most recently completed financial year.

Silvercorp is subject to the continuous disclosure requirements of TSX and the NYSE American, the various securities commissions and regulatory authorities in the provinces and territories of Canada and the United States Securities Exchange Commission. Silvercorp's continuous disclosure filings are reflected on the following websites:

Name of Website	Information Field
www.sedarplus.ca	Includes but is not limited to interim and annual financial statements and corresponding management discussions and analysis; annual information forms; notices of meeting and record dates; management proxy materials including management information circulars; change of auditor filings; material change reports and other material documents; news releases; certifications of filings; technical reports; business acquisition reports; and codes of conduct
www.sec.gov/edgar.shtml	Annual reports and current reports
www.sedi.ca	Insider reports

5 Information about Silvercorp Shares

5.1 Capital structure

As at the date of this Bidder's Statement, Silvercorp has an authorised capital of an unlimited number of Silvercorp Shares without par value, of which 177,048,198 Silvercorp Shares were issued and outstanding as at the date of this Bidder's Statement. A further 1,388,334 Silvercorp Shares have been reserved for issuance upon the due and proper exercise of certain incentive options (**Silvercorp Options**) and 2,519,581 restricted share units (**Silvercorp RSUs**) outstanding as at the date of this Bidder's Statement.

Security	Number
Silvercorp Shares issued and outstanding	177,048,198
Shares issuable upon exercise of Silvercorp Options	1,388,334
Shares issuable upon vesting of Silvercorp RSUs	2,519,581
Silvercorp fully diluted outstanding shares	180,956,113

As at the date of this Bidder's Statement, as far as Silvercorp is aware, there is no substantial holder of Silvercorp that holds 5% or more Silvercorp Shares.

On 15 September 2023, Silvercorp announced a normal course issuer bid to acquire up to 8,487,191 common shares of Silvercorp (representing approximately 4.8% of the Silvercorp Shares on issue as at the Date of this Bidder's Statement) (**Silvercorp Share Repurchase Program**). The repurchase program runs from 19 September 2023 to 18 September 2024. Purchases under the Silvercorp Share Repurchase Program will be made at the discretion of the Silvercorp Directors at prevailing market prices, through the facilities of the TSX, the NYSE American, and alternative trading systems in Canada and the United States, in compliance with regulatory requirements. Silvercorp intends to cancel all Silvercorp Shares acquired under the Silvercorp Share Repurchase Program. The price Silvercorp will pay for the common shares repurchased will be the market price at the time of purchase.

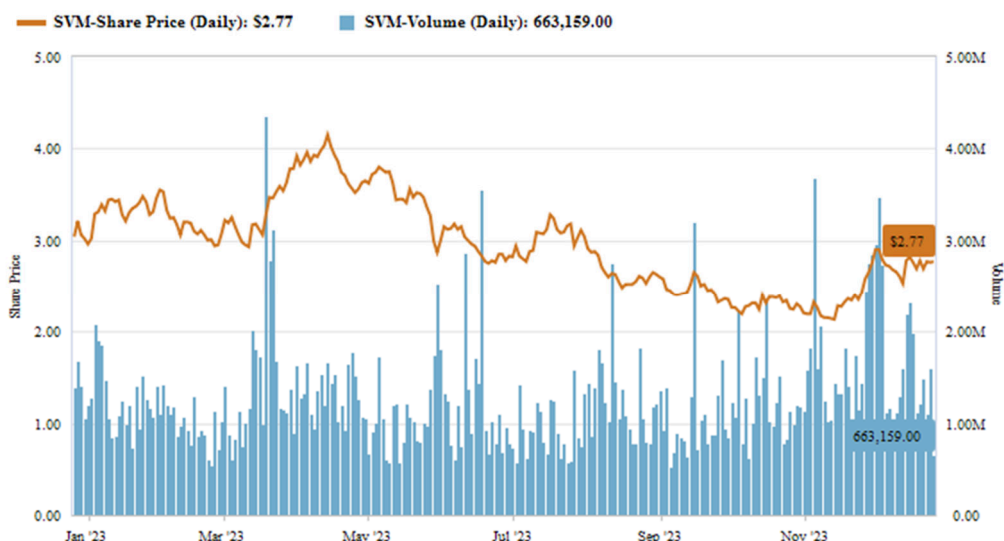
5.2 Recent Silvercorp share price performance

Silvercorp Shares are quoted on the TSX and the NYSE American under the code 'SVM'.

The closing price of Silvercorp Shares on the TSX/NYSE American on the date of the original Bidder's Statement (Sydney time, being after market close on 22 December 2023 (on the TSX) and 26 December 2023 (on NYSE American) Eastern Standard Time) was C\$3.68 / US\$2.77.

The highest closing price of Silvercorp Shares on the NYSE American in the 3 months prior to the date of the original Bidder's Statement (Sydney time, being after market close on 26 December 2023 Eastern Standard Time) was US\$2.90. The lowest closing price of Silvercorp Shares on the NYSE American in the 3 months prior to the date of the original Bidder's Statement (Sydney time, being after market close on 26 December 2023 Eastern Standard Time) was US\$2.13.

The highest closing price of Silvercorp Shares on the NYSE American in the 12 months prior to the date of the original Bidder's Statement (Sydney time, being after market close on 26 December 2023 Eastern Standard Time) was US\$4.15. The lowest closing price of Silvercorp Shares on the NYSE American in the 12 months prior to the date of the original Bidder's Statement (Sydney time, being after market close on 26 December 2023 Eastern Standard Time) was US\$2.13.



The current price of Silvercorp Shares on the TSX/ NYSE American can be obtained at:

- <https://www.tsx.com/>; and
- <https://www.nasdaq.com/>.

5.3 Dividend history and policy

Silvercorp declared its first annual dividend of CAD\$0.05 per share in calendar year 2007 (fiscal year 2008) and has declared and paid dividends as set out in the table below.

Fiscal Year ended 31 March	Dividends declared per Silvercorp Share
2018	US\$0.020
2019	US\$0.025
2020	US\$0.025
2021	US\$0.025
2022	US\$0.025
2023	US\$0.025

Since fiscal year ended 31 March 2019, Silvercorp has been paying semi-annual dividends of US\$0.0125 per share (US\$0.025 per share on an annual basis). On 9 November 2023, Silvercorp declared a semi-annual (for fiscal year 2024) dividend of US\$0.0125 per Silvercorp Share.

The declaration and payment of future dividends, if any, is at the discretion of the Silvercorp Board and will be based on a number of relevant factors including commodity prices, market conditions, financial results, cash flows from operations, and expected cash requirements.

5.4 Rights attaching to the Silvercorp Shares offered

Registered holders of Silvercorp Shares are entitled to receive notice of and attend all shareholder meetings of Silvercorp Shareholders and to one vote for each Silvercorp Share held. In addition, holders of Silvercorp Shares are entitled to receive on a pro rata basis dividends if, as and when declared by the Silvercorp Board and, upon liquidation, dissolution or winding-up, are entitled to receive on a pro rata basis Silvercorp's net assets after payment of debts and other liabilities, in each case subject to the rights, privileges, restrictions and conditions attaching to any other series or class of securities ranking in priority to, or equal with, the holders of the Silvercorp Shares. Any alteration of the rights attached to Silvercorp

Shares must be approved by at least two-thirds of the Silvercorp Shares voted at a meeting of Silvercorp Shareholders.

New Silvercorp Shares will be fully paid common shares in Silvercorp, being the equivalent of an 'ordinary' share in Australia. New Silvercorp Shares will be listed and traded on the TSX in C\$ and on the NYSE American in US\$. They will not be quoted or tradeable on ASX. Silvercorp continues to explore the possibility of being admitted to the official list of ASX, and if that occurs, holders of Silvercorp Shares will be able to convert their Silvercorp Shares into Silvercorp CDIs which will be tradeable on the ASX.

New Silvercorp Shares must be traded on the TSX and the NYSE American through a broker that is entitled to trade on the TSX or the NYSE American (as applicable). Not all Australian stockbrokers are able to trade securities on the TSX or the NYSE American. It is the responsibility of Silvercorp Shareholders to ensure that appropriate arrangements are in place if they wish to hold and trade New Silvercorp Shares.

Additional information about certain rights of shareholders under the Business Corporations Act is set out below:

Share capital

Under the Silvercorp Articles, Silvercorp is authorised to issue an unlimited number of common shares without par value. There is no minimum share capital prescribed by the Business Corporations Act.

Purchase of own shares

Under the Business Corporations Act and the Silvercorp Articles, Silvercorp may repurchase its shares provided that there are no reasonable grounds for believing that the company is insolvent or making the payment or providing the consideration would render the company insolvent.

Under Canadian law, a repurchase of its own shares by Silvercorp may constitute an "issuer bid" which must be effected in accordance with NI 62-104.

The TSX permits a company, subject to the filing of the required form of notice at least two clear trading days prior to any purchases under a bid, to conduct a "normal course" buy-back for that company's own shares for a period of up to one year. There are a number of restrictions with respect to the buy-back, including on the number of shares and price at which those shares are purchased. Any company that conducts a buy-back in this manner is required to issue a press release summarising the terms of the buy-back and the details of any similar purchases made, and is also required to report certain information concerning the buy-back to the TSX.

Transfer of shares

Under the Silvercorp Articles a transfer of Silvercorp Shares must not be registered where Silvercorp has not received:

- a duly signed instrument of transfer;
- if a share certificate has been issued by Silvercorp in respect of the shares to be transfer, that share certificate; or
- if a non-transferable written acknowledgement of the shareholder's right to obtain a share certificate has been issued by Silvercorp in respect of the share to be transferred, that acknowledgement.

Issue of new shares

Silvercorp Shares may be issued for such consideration as the Silvercorp Directors may determine subject to the Business Corporations Act, the rights of the holders of issued shares of Silvercorp, and the rules and policies of the TSX Company Manual.

Under the TSX Company Manual, Silvercorp requires the approval of the TSX to issue securities other than unlisted non-voting, non-participating securities. The TSX may impose conditions on a transaction or grant exemptions from its own requirements. The TSX will consider various factors, including the involvement of insiders of Silvercorp in the transaction, whether the transaction materially affects control of Silvercorp, Silvercorp's corporate governance practices, the size of the transaction relative to the liquidity of Silvercorp and whether a court or administrative body has considered the interests of the Silvercorp Shareholders.

The TSX will generally require Silvercorp Shareholder approval of any transaction that materially affects control of Silvercorp or provides consideration to insiders of Silvercorp that represents 10% or more of Silvercorp's market capitalisation (subject to certain conditions) during any six month period, and has not been negotiated at arm's length.

For distributions of listed securities in reliance on a prospectus exemption (known as private placements), the TSX may require Silvercorp Shareholder approval depending on the price at which the securities are being sold and the number being sold in relation to the number outstanding. If the price is below market and the number of securities of Silvercorp to be issued represents more than 25% of the number outstanding (on a non-diluted basis), Silvercorp Shareholder approval is required, while if the price is at or above market, Silvercorp Shareholder approval is generally not required regardless of the number of securities being issued. If the issuance is to be less than or equal to 25% of the number of securities outstanding, shareholder approval will not be required unless the price is below a permitted discount to market (which is 15% where the securities are trading above C\$2.00 each or 20% where the securities are trading between C\$0.51 and C\$2.00 each).

TSX-listed issuers must obtain shareholder approval when the number of securities issued in payment for an acquisition exceeds 25% of the number of issued and outstanding securities of the issuer on a non-diluted basis, whether the target being acquired is a private company or a reporting issuer.

In private placements to insiders of Silvercorp and acquisitions involving issuances of listed securities to insiders of Silvercorp, the TSX will require Silvercorp Shareholder approval depending on the number of securities issued in relation to the number outstanding. Specifically, if insiders of Silvercorp will be issued, by way of private placements during any six month period, or if insiders will receive, as consideration in an acquisition, securities or options, rights or other entitlements to listed securities representing more than 10% of the number of securities outstanding on a non-diluted basis, shareholder approval will be required and the insiders of Silvercorp may not vote their securities.

The TSX also requires shareholder approval of securities-based compensation arrangements, including any compensation or mechanism involving the potential issuance of securities from treasury.

The TSX prescribes specific disclosure requirements for the materials provided to Silvercorp Shareholders for the purposes of such approval, including all material information that shareholders may reasonably require to approve the arrangements. Certain substantive requirements are imposed that must be complied with: exercise prices for any stock options granted under a security based compensation arrangement may not be lower than market price of the securities at the time the stock options are granted; there must be a maximum number or percentage of securities issuable; and most amendments also require shareholder approval.

Variation of class rights

Under the Business Corporations Act and the Silvercorp Articles, rights attaching to a class of shares may only be varied by a special resolution of all shareholders.

Protection of minority shareholders

Under the Business Corporations Act, a shareholder, defined to include a beneficial shareholder and any other person whom the court considers to be an appropriate person, may seek a remedy for “oppressive” or “unfairly prejudicial” conduct of Silvercorp. The applicant must bring the application in a timely manner.

A Silvercorp Shareholder or Silvercorp Director, may also, with leave of the court, bring a legal proceeding in the name and on behalf of Silvercorp to enforce a right or obligation owed to Silvercorp that could be enforced by Silvercorp itself, or to obtain damages for any breach of such a right or obligation. An applicant may also, with leave of the court, defend a legal proceeding brought against Silvercorp.

The Business Corporations Act further provides that if a company or any director, officer, shareholder, employee, agent, auditor, trustee, receiver, receiver manager or liquidator of a company contravenes or is about to contravene a provision of the Business Corporations Act or the regulations or the articles of the company, a complainant, defined as a shareholder or any other person that the court considers appropriate, may, in addition to any other rights that that person might have, apply to the court for an order that the person who has contravened or is about to contravene the provision comply with or refrain from contravening the provision.

The granting of leave is not automatic, but requires the court to exercise a judicial discretion. Generally, a court is likely to grant leave where the proposed action is in the shareholders’ interest unless the action appears likely to be dismissed, or is frivolous, scandalous or vexatious.

In addition to the above, Silvercorp Shareholders may bring claims against Silvercorp based on the general laws of contract, tort or other private laws applicable in Canada.

Payment of dividend and distribution

Under the Business Corporations Act, Silvercorp may pay a dividend by issuing fully paid shares or in property, including money. Silvercorp may not declare or pay a dividend if there are reasonable grounds for believing that Silvercorp is insolvent or the payment of the dividend would render Silvercorp insolvent.

Requirement of annual meetings; ability to call special meetings

Under the Business Corporations Act, Silvercorp must hold an annual general meeting of Silvercorp Shareholders at least once per calendar year and not more than 15 months after the last preceding annual meeting. The TSX Company Manual mandates that unless a listed issuer obtains a waiver, each listed issuer must hold its annual meeting of shareholders within 6 months from the end of its fiscal year, or at such earlier time as is required by applicable law.

The Business Corporations Act permits fully electronic meetings of shareholders. All Silvercorp Shareholders or proxyholders entitled to participate in a meeting of Silvercorp Shareholders may do so electronically if all Silvercorp Shareholders and proxyholders are “able to participate” in, including vote, at the meeting. Further, fully electronic meetings do not require a specified physical location to be named.

The Silvercorp Articles do not contain restrictions which would prevent the holding of fully electronic or hybrid shareholder meetings.

Under the Business Corporations Act and the Silvercorp Articles, the Silvercorp Board may call a special meeting of Silvercorp Shareholders at any time.

The Business Corporations Act further provides that one or more shareholders of a company holding not less than 5% of the issued voting shares of the company may give notice to the directors requiring them to call and hold a general meeting of shareholders for the purposes

stated in the requisition, which meeting must be held within 4 months, unless the directors are excused from doing so.

Notice of meeting

The Business Corporations Act requires that notice of a general meeting of Silvercorp Shareholders must be given to the directors and Silvercorp Shareholders entitled to vote at least 21 days before the date of the meeting. The record date must not precede the date on which the meeting is to be held by more than 2 months.

However NI 54-101 requires Silvercorp to provide, subject to certain exceptions, Silvercorp Shareholders with greater than 21 days' notice of a meeting of shareholders.

NI 54-101 also requires Silvercorp to set a record date for determining the registered Silvercorp Shareholders that are entitled to receive notice of a shareholder meeting that is at least 30 days and no more than 60 days prior to the date of the meeting (subject to certain exception), and to notify all depositories, applicable securities regulatory authorities and the TSX at least 25 days prior to the record date.

Notice of a meeting at which special business is to be transacted must state the nature of that business in sufficient detail to permit a shareholder to form a reasoned judgement on that business, as well as the text of any special resolution to be submitted to the meeting. In addition, Silvercorp is also required to provide, or make available to shareholders, any document to be approved in connection with the special business at the meeting.

The Silvercorp Articles provide that:

- at a meeting of Silvercorp Shareholders that is not an annual general meeting, all business is special business except business relating to the conduct of or voting at the meeting;
- at an annual general meeting, all business is special business except for the following:
 - the business relating to the conduct of or voting at the meeting;
 - consideration of any financial statements of Silvercorp presented to the meeting;
 - consideration of any reports of the directors or auditor;
 - the setting or changing of the number of directors;
 - the election or appointment of directors;
 - the appointment of an auditor;
 - business arising out of a report of the directors not requiring the passing of a special resolution or an exceptional resolution; and
 - any other business which, under these Articles or the Business Corporations Act, may be transacted at a meeting of shareholders without prior notice of the business being given to the shareholders.

Quorum requirement

The Silvercorp Articles provide that, subject to the special rights and restriction attached to the shares of any class or series of shares, the presence of two persons who are, or who represent by proxy, shareholders who, in the aggregate, hold at least 5% of the issued shares

entitled to be voted at such meeting will constitute quorum for the transaction of business at the meeting of Silvercorp Shareholders.

If, within 30 minutes from the time set for holding of a meeting of shareholders, a quorum is not present:

- in the case of a general meeting requisitioned by shareholders, the meeting is dissolved; and
- in the case of any other meeting of shareholders, the meeting stands adjourned to the same day in the next week at the same time and place.

If at an adjourned meeting quorum is not present within 30 minutes, the person or persons present and being, or representing by proxy, one or more shareholders entitled to attend and vote at the meeting constitute a quorum.

Voting requirement

Under the Business Corporations Act, certain extraordinary corporate actions, such as amalgamations, continuances, reorganisations and other extraordinary corporate actions such as liquidations (winding-ups) and arrangements, require approval of Silvercorp Shareholders by special resolution.

Under the Business Corporations Act, a resolution passed by a special majority at a general meeting for which proper notice has been provided constitutes a special resolution.

A special majority is a majority of votes, as specified by the Silvercorp Articles, that has at least two thirds of the votes cast on the resolution.

The Business Corporations Act and the Silvercorp Articles provide that a special majority of votes is required for Silvercorp to pass a special resolution at a meeting of Silvercorp Shareholders.

Unless the Business Corporations Act or the Silvercorp Articles require a special resolution, ordinary resolutions of Silvercorp Shareholders are passed by a simple majority of votes cast on the resolution.

Additionally, under the Business Corporations Act, a resolution consented to in writing by all of the Silvercorp Shareholders holding shares that carry the right to vote at general meetings constitutes a special resolution.

The Business Corporations Act provide that, unless the Silvercorp Articles provide otherwise, each Silvercorp Share entitles the holder to one vote at a meeting of Silvercorp Shareholders. Furthermore, the Business Corporations Act and the Silvercorp Articles state that voting is to be conducted by a show of hands, unless a poll is, before or on the declaration of the result of the vote by show of hands, is directed by the chair or demanded by at least one shareholder entitled to vote who is present in person or by proxy.

In accordance with the Silvercorp Articles and subject to the special rights and restrictions attached to any share and to certain restrictions imposed on voting by joint shareholders, on a show of hands, each holder of Silvercorp Shares present in person or by proxy and entitled to vote has one vote. If a poll is called, each holder of Silvercorp Shares present in person or by proxy will have one vote for each Silvercorp Share held.

The Business Corporations Act also provides that holders of shares of a class or a series are entitled to vote separately as a class or series on certain proposals to amend the Silvercorp Articles that affect the rights of such holders, whether or not such shares carry the right to vote.

The Silvercorp Articles allow the Silvercorp Board to specify in a notice calling a meeting of Silvercorp Shareholders any time, on, unless these Articles otherwise provide, at least the following number of days' notice before the meeting:

- if and for so long as the company is a public company, twenty-one days;
- otherwise, ten days.

Shareholders' rights to bring a resolution before a meeting

The Business Corporations Act entitles a registered or beneficial holder of not less than 1% (or having a fair market value in excess of C\$2,000) of Silvercorp Shares eligible to be voted at its annual shareholder meeting to submit to Silvercorp notice of any matter that the person wishes to have considered at the next annual general meeting. If Silvercorp receives notice of a proposal at least three months prior to the anniversary of the previous year's annual reference date, and is soliciting proxies, Silvercorp must include details of the proposal in its information circular.

The Business Corporations Act provides for exemptions from the requirements to include a proposal in a company's information circular in certain circumstances, including where:

- it clearly appears that the primary purpose of the proposal is to secure publicity or to enforce a personal claim or redress a personal grievance against the company or its directors, officers or security holders;
- it clearly appears that the proposal does not relate in a significant way to the business or affairs of the company;
- substantially the same proposal failed to receive a certain amount of support at a prior meeting held not more than five years before the receipt of the proposal;
- the proposal has already been substantially implemented;
- the proposal, if implemented, would cause the company to commit an offence;
- the proposal deals with matters beyond the company's power to implement; or
- the proposal is invalid or exceeds the maximum length of 1,000 words.

Amendments to constitution

Under the Business Corporations Act and Silvercorp Articles, approval by special resolution of the shareholders is required to amend a company's articles.

Under the Business Corporations Act and the Silvercorp Articles, a special resolution must be passed by a majority of not less than two thirds of the votes cast by the shareholders entitled to vote on the resolution.

Management of the business of the Company

The Silvercorp Articles do not restrict the powers of the Silvercorp Board. Under the Business Corporations Act, the Silvercorp Board is to manage or supervise the management of the business and affairs of Silvercorp.

Number and election of directors

The Business Corporations Act and the Silvercorp Articles require a minimum of 3 directors. Currently, there are 5 Silvercorp Directors.

Unless appointed by the board to fill a vacancy or otherwise in accordance with the Business Corporations Act and the Silvercorp Articles, Silvercorp's directors are appointed at Silvercorp's annual general meeting to serve until the next annual general meeting or until such person otherwise ceases to hold office.

Removal of directors

Under the Business Corporations Act and the Silvercorp Articles, Silvercorp Shareholders may remove one or more directors by ordinary resolution.

Under the Silvercorp Articles, the directors may remove any director if the director is convicted of an indictable offence or if the director ceases to be qualified to act as a director and does not promptly resign.

Residency of directors

The Business Corporations Act does not prescribe any residency requirements for directors.

Remuneration of directors and officers

Under the Business Corporations Act, the directors of Silvercorp may fix the remuneration of the directors, officers and employees of the company. The Silvercorp Articles do not place any restrictions on the remuneration of Silvercorp's directors.

Under Canadian securities law, specific compensation disclosure, including with respect to compensation of the CEO, CFO and next three highest paid executives, is required to be included in the management proxy circular in connection with the annual meeting each year.

Retirement Benefits

Under the Business Corporations Act and the Silvercorp Articles:

- there are currently no restrictions on the quantum of retirement benefits that Silvercorp may pay to its directors or officers; and
- there is no requirement for shareholders of Silvercorp to approve the quantum of such retirement benefits (if any).

Release from liability and indemnification of directors and officers

Under the Business Corporations Act, a director is not liable for a resolution he or she voted in favour of if the director has relied in good faith on:

- financial statements of the company represented to the director by an officer of the company or in a written report of the auditor of the company to fairly reflect the financial position of the company;
- a written report of a lawyer, accountant, engineer, appraiser or other person whose profession lends credibility to a statement;
- a statement of fact represented to the director by an officer of the company to be correct; or
- any record, information or representation that the court considers provides reasonable grounds for the actions of the director, whether or not the record, information or representation was forged, fraudulently made or inaccurate.

Furthermore, a director is not liable for a resolution for which he or she voted in favour if he or she did not know and could not reasonably have known that the act done or authorised by the resolution was contrary to the Business Corporations Act.

Under the Business Corporations Act, a company may indemnify a past or present director or officer (an eligible party) against certain judgments, penalties or fines, or an amount paid in settlement of proceedings, relating to their actions as directors and officers of the corporation, unless prohibited by the articles or if, in relation to the subject proceedings, the eligible party did not act honestly and in good faith with a view to the best interests of the company and, in the case of criminal proceedings, did not have reasonable grounds for believing that the his or her conduct in respect of which the proceeding was brought was lawful.

A company must pay the net expenses of an eligible party, after the final disposition or settlement of the matter, if:

- the party was substantially successful on the merits, or
- the party was wholly successful on the merits or otherwise.

A company may pay the expenses of an eligible party in advance, provided that the party undertakes to repay the advances if it is later determined that the corporation is prohibited from paying such expenses.

Fiduciary Duties of Directors and Officers

Under the Business Corporations Act, each director and officer of Silvercorp, in exercising their powers and discharging their duties, must act honestly and in good faith with a view to the best interests of Silvercorp (commonly referred to as the 'duty of loyalty') and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances (commonly referred to as the 'duty of care').

Transactions involving directors, officers or other related parties

In Canada, MI 61-101 establishes disclosure, valuation, review and approval processes in connection with certain transactions where there is a potential for conflicts of interest because the transaction involves one or more interested or related parties who are parties to the transaction and have potential information or other advantages (for example, voting power through share ownership, or representation on the target company's board of directors), or are otherwise entitled to receive different consideration or other benefits under the terms of the transaction that are unavailable to the other shareholders of the target company. As a reporting issuer in Ontario listed on the TSX, Silvercorp is subject to the requirements of MI 61-101.

Depending on the nature of the transaction and subject to the availability of certain exemptions, MI 61-101 provides procedural protections to minority or disinterested shareholders in connection with transactions subject to MI 61-101. For example:

- the requirement for a valuation performed by a qualified and independent valuator in respect of the target company's securities which are the subject of the transaction;
- approval of a proposed transaction by a majority (50.1%) of the votes cast by the minority or disinterested shareholders at a shareholders' meeting and excluding shares held by the interested parties;
- formation of a special committee composed of independent directors who do not have a conflict of interest to supervise the preparation of a formal valuation; and/or
- additional prescribed disclosure in respect of the transaction.

The Business Corporations Act sets out the following requirements for a contract or transaction in which a director or officer has a competing interest or duty:

- disclosure of the nature and extent conflicting interest to the board;

- abstention from voting at the board level; and
- approval by directors or shareholders.

A court may order an accounting of profits where the first two criteria are not met if it finds that the material contract or transaction was not fair and reasonable.

Insider trading

Canadian law prohibits certain persons (including directors, officers and employees) from trading securities of a reporting issuer with knowledge of a material fact or material change with respect to a reporting issuer that has not been generally disclosed.

In addition, NI 55-102 establishes a mandatory system of electronic reporting of trading activity by certain insiders of each reporting issuer. Insiders generally have to report within five days following any trade in securities of the issuer. Insider reports are filed on www.sedi.ca.

Disclosure of substantial shareholdings

Canadian law includes concepts of “insider”, “acquirer”, and “control person” that trigger certain disclosures and restrictions.

A person is an “insider” if that person, among other things, is a director or officer of an issuer or a person that is itself an insider or a subsidiary of an issuer, or has:

- beneficial ownership of, or control or direction over, directly or indirectly, or
- a combination of beneficial ownership of, and control or direction over, directly or indirectly, 10% or more of the company’s outstanding voting securities.

In addition, within two business days of an acquirer acquiring beneficial ownership of, or control or direction over, securities that, together with the acquirer’s securities, constitute 10% or more of the outstanding voting or equity securities of the company, the acquirer must file an early warning report in the prescribed form with such Securities Commission(s).

Similar notification requirements apply in the event that a person’s holding increases or decreases by an amount equal to 2% or more of the company’s outstanding voting securities, or where a person ceases to hold 10% or more of the company’s outstanding voting securities.

A control person includes a person that holds a sufficient number of any of the securities of a company so as to affect materially the control of that company, or that holds more than 20% of the outstanding voting shares of the company. There are restrictions on trade by control persons, in addition to the disclosure requirements described above.

Takeovers requirements

Securities laws relating to formal take-over bids are harmonized across Canada under NI 62-104. Under NI 62-104, a take-over bid is an offer to acquire outstanding voting securities made to one or more securityholders where the securities subject to the offer, together with the securities beneficially owned, or over which control or direction is exercised on the date of the offer to acquire by the offeror (i.e. the person making the take-over bid) and any person acting jointly or in concert with the offeror, constitute 20% or more of the outstanding securities of that class at the date of the offer. An offeror proposing a take-over bid must comply with the technical procedural requirements (including those relating to determining beneficial ownership of securities and whether a person is acting jointly or in concert with an offeror) and disclosure requirements of the take-over bid rules unless an exemption is available from those requirements, all in accordance with NI 62-104.

Takeover defence mechanisms

NP 62-202 regulates the defensive tactics that may be employed by a target company in a take-over bid, and limits the ability of a target board to entrench itself to the detriment of shareholders. The primary objective of the relevant take-over bid provisions of Canadian law is the protection of the bona fide interests of shareholders of the target company. A secondary objective is to provide a regulatory framework within which take-over bids may proceed in an open and even-handed environment. The takeover bid provisions should favour neither the bidder nor the management of the target company and should leave the shareholders of the target company free to make a fully informed decision.

Canadian securities regulatory authorities:

- consider that unrestricted auctions produce the most desirable results in takeover bids and are reluctant to interfere in contested bids;
- appreciate that defensive tactics may be taken by a board of directors of a target company in a genuine attempt to obtain a better bid;
- are prepared to take appropriate action if they become aware of defensive tactics that will likely result in shareholders being deprived of the ability to respond to a takeover bid or to a competing bid;
- have determined that it is inappropriate to specify a code of conduct for directors of a target company in addition to the fiduciary standard required by corporate law; and
- are prepared to examine target company tactics in specific cases to determine whether they are abusive of shareholder rights.

Notice of members rights to receive documents

There is no general requirement under Canadian law to canvass a shareholder's preference to receive documents.

Under Canadian law, a company may use Notice and Access for distribution of meeting materials. Notice and Access allows Silvercorp to send Silvercorp Shareholders paper copies of a notice of meeting and form of proxy or voting instruction form, while providing Silvercorp Shareholders access to electronic copies of the information circular over the internet or the option to receive paper copies of the information circular if they so request within the prescribed time periods.

Statutory rights of action for misrepresentations

Under Canadian law, purchasers of securities of a company can bring an action against various persons or companies including the issuer of securities, the underwriter, directors and officers of the issuer, and certain other persons or companies responsible for the issue of a prospectus in respect of damage suffered by reason of a misrepresentation therein. A similar right of action is available in some jurisdictions against certain persons or companies in respect of misrepresentations contained in other disclosure documents such as offering memoranda or takeover bid circulars.

Right to Inspect Corporate Books and Records

Under the Business Corporations Act, any person may examine certain of the corporate records of Silvercorp (including the securities register, articles, minutes of meetings and resolutions of shareholders) at Silvercorp's registered office or such other place where such records are kept during Silvercorp's usual business hours free of charge, and copies may be obtained for a fee.

Right to Inspect Register of Shareholders

Under the Business Corporations Act, any person may inspect Silvercorp's central securities register and/or apply to the company for a list setting out the names and last known addresses of the shareholders and the number of shares of each class or series of shares held by each of those shareholders.

Any person wishing to examine the list of shareholders must first make a request to the company, accompanied by an affidavit stating that the list will not be used except for certain purposes permitted under the Business Corporations Act.

Winding up

Under the Business Corporations Act, only solvent companies may engage in dissolution and liquidation proceedings. As a result, the directors of a company seeking to dissolve must adequately provide for the payment of each of the company's liabilities; if that is not possible, it may be necessary to proceed under insolvency legislation (such as the Bankruptcy and Insolvency Act). If a company is found to be "insolvent" for the purposes of the Bankruptcy and Insolvency Act, any must be stayed. After the assets of a company have been liquidated and distributed under the Bankruptcy and Insolvency Act or the Winding-up and Restructuring Act, the company will still exist, and can only be dissolved by action taken in accordance with the procedures of the Business Corporations Act.

To voluntarily dissolve a company under the Business Corporations Act that has been properly authorized to do so, a company must provide to its records office an affidavit, sworn by a director of the company, which states that: (i) the dissolution was duly authorised by an ordinary resolution of the shareholders or it has not issued any shares, and has the authorization of the directors; (ii) the company has no assets; and (iii) the company has no liabilities or has made adequate provision for the payment of each of its liabilities.

Proceedings may be continued against a company after its dissolution or brought against a company within two years after its dissolution as if the company had not been dissolved. When assets of the company are distributed to a shareholder in anticipation of, during, or as a result of the company's liquidation or dissolution, the court may add the shareholder as a party to litigation, determine the amount for which the shareholder is liable and the amount the shareholder must contribute to satisfy the plaintiff's claim and direct payment of those amounts, provided that the shareholder is not liable unless added as a party within two years after the date of dissolution. The shareholder's liability is limited to the value of the assets they received, as at the date of distribution.

The Silvercorp Articles do not impose any restrictions on winding-up.

Disclosure

Silvercorp is subject to regular reporting and disclosure obligations under Canadian law.

Silvercorp's annual reporting obligations include requirements to prepare and file annual and interim financial statements, as well as an annual information form and management information circular.

In addition, Silvercorp has certain periodic or special event reporting obligations under Canadian law, for instance, if a material change occurs, Silvercorp must immediately issue and file a news release disclosing the nature and substance of the material change, and as soon as practicable, and in any event within 10 days of the date on which a material change occurs, prepare and file a material change report.

The TSX Company Manual requires timely disclosure of material information, which TSX considers broader than a "material change". The TSX Company Manual also requires a company to keep TSX fully informed of both routine and unusual events and decisions affecting its security holders.

Silvercorp's financial statements and accompanying management and discussion and analysis, annual information form, management information circular and news releases are available on Silvercorp's corporate profile on SEDAR+ at www.sedarplus.ca.

Financial statements

Silvercorp is required to file audited annual financial statements and accompanying management discussions and analysis within 90 days of the most recently completed financial year end and interim (three month) financial statements and accompanying management discussions and analysis within 45 days of the end of the interim period.

5.5 Silvercorp incentive and equity plan

Silvercorp has an Omnibus Plan (**Omnibus Plan**) which has been established to attract and retain directors, officers, employees and consultants to Silvercorp, and to provide incentives for them to advance the interests of Silvercorp by affording them with the opportunity to acquire an equity interest in Silvercorp.

The Omnibus Plan is administered by the Silvercorp Board and Silvercorp's Compensation Committee. The following is a description of the key terms of the Omnibus Plan, which is qualified in its entirety by reference to the full text of the Omnibus Plan.

Awards

- *Type of Awards* – Silvercorp Options, Silvercorp RSUs and performance share units (**Silvercorp PSUs**) may be granted under the plan (**Awards**). As at the date of this Bidder's Statement, Silvercorp does not have any Silvercorp PSUs on issue.
- *Maximum number of shares issuable* – The maximum number of Silvercorp Shares issuable under the Omnibus Plan, together with the number of Silvercorp Shares issuable under any other security-based compensation arrangements of Silvercorp, shall not in the aggregate exceed 10% of the issued and outstanding shares of Silvercorp, from time to time (the **Outstanding Issue**).
- *Plan Limits* – When combined with all of Silvercorp's other security-based compensation arrangements, the Omnibus Plan shall not result in:
 - the *number* of Silvercorp Shares issuable to any one person at any time exceeding 5% of the Outstanding Issue;
 - the number of Silvercorp Shares (i) issued to Insiders (as defined in the Omnibus Plan) within a one-year period, and (ii) issuable to Insiders at any time, exceeding 10% of the Outstanding Issue;
 - the issuance to any one Insider and such Insider's associates, within any one-year period, exceeding 5% of the Outstanding Issue;
 - the issuance to consultants of Silvercorp of a number of Silvercorp Shares exceeding 2% of the Outstanding Issue; or
 - a number of Silvercorp Shares issuable to any one non-executive directors within a one-year period exceeding an award value of \$150,000 per such non-executive director, of which no more than \$100,000 may comprise Silvercorp Options based on a generally accepted valuation method acceptable to the Silvercorp Board.

Silvercorp Options

- *Terms and Exercise Price* – The number of Silvercorp Shares subject to each Silvercorp Option grant, the exercise price, vesting, expiry date and other terms and

conditions thereof will be determined by the Silvercorp Board. The exercise price of each Silvercorp Option shall in no event be lower than the closing price of the Silvercorp Shares on the TSX (the **Market Price**) on the grant date.

- *Term* – Unless otherwise specified at the time of grant, Silvercorp Options shall expire 10 years from the date of grant, unless terminated earlier in accordance with the Omnibus Plan.
- *Vesting Schedule* – Unless otherwise specified at the time of grant, Silvercorp Options vest and become exercisable in 25% increments on each of the 6 month, 12 month, 18 month, and 24 month anniversaries from the grant date.
- *Exercise of Silvercorp Options* – A person with Awards granted pursuant to the Omnibus Plan (**Participant**) may exercise vested Silvercorp Options by (i) payment of the exercise price per Share subject to each Silvercorp Option, or (ii) if permitted by the Silvercorp Board, by undertaking a cashless exercise with the assistance of a broker (which may include authorising the broker to sell Silvercorp Shares on the open market by means of a short sale and forward the proceeds of such short sale to Silvercorp to satisfy the exercise price and any applicable tax withholdings), or (iii) if permitted by the Silvercorp Board, on a cashless basis by receiving that number of Silvercorp Shares equal to the current market price of Silvercorp Shares less the exercise price multiplied by the number of Silvercorp Options exercised as the numerator, divided by the current market price of Silvercorp Shares, as the denominator.
- *Termination of employment* – If a Participant ceases to be a director, officer, employee or consultant of Silvercorp for any reason other than death, such director, officer, consultant or employee of Silvercorp shall have such rights to exercise any vested Silvercorp Options not exercised prior to such termination within the lesser of a period of 90 calendar days after the date of termination, or the expiry date of the Silvercorp Option, or such shorter period as may be set out in the Participant's Option Award Agreement.
- *Death* – If a Participant dies prior to the expiry of his Silvercorp Option, his legal representatives may, within the lesser of one year from the date of the Participant's death or the expiry date of the Silvercorp Option, exercise that portion of all vested Silvercorp Options granted to the director, officer, employee or consultant of Silvercorp under the Omnibus Plan which remains outstanding.

Restricted Share Units and Performance Share Units

- *Terms* – Silvercorp RSUs and Silvercorp PSUs are notional securities that entitle the recipient to receive cash or Silvercorp Shares at the end of a vesting period. The terms applicable to Silvercorp RSUs and Silvercorp PSUs under the Omnibus Plan (including the vesting schedule, performance cycle, performance criteria for vesting and whether dividend equivalents will be credited to a Participant's account) are determined by the Silvercorp Board at the time of the grant.
- *Vesting* – Unless otherwise provided, Silvercorp RSUs typically vest on the second anniversary of the date the Silvercorp RSU was granted and shall be settled in accordance with the settlement provisions described below. Unless otherwise noted, Silvercorp PSUs shall vest as at the date that is the end of their specified performance cycle, subject to any performance criteria having been satisfied and shall be settled in accordance with the settlement provisions described below. Vesting of Silvercorp PSUs is contingent upon achieving certain performance criteria.
- *Settlement* – On settlement, Silvercorp shall, for each vested Silvercorp RSU or Silvercorp PSU being settled, deliver to a Participant either (a) one Silvercorp Share, (b) a cash payment equal to the market price of one Silvercorp Share as of the vesting date, or (c) any combination of cash and Silvercorp Shares equal to the

market price of one Silvercorp Share as of the vesting date, at the discretion of the Silvercorp Board.

- *Dividend Equivalents* – As dividends are declared, additional Silvercorp RSUs and Silvercorp PSUs may be credited to a Participant in an amount equal to the greatest whole number which may be obtained by dividing (i) the value of such dividend or distribution on the payment date therefore by (ii) the market price of one Silvercorp Share on such date.
- *Termination of Employment* – If a director, officer, consultant or employee of Silvercorp ceases to be so engaged by Silvercorp for any reason other than death, all outstanding Silvercorp RSUs and Silvercorp PSUs that were vested on or before the date of the termination of employment or services of such Participant shall be settled in accordance with the applicable settlement provisions of the Omnibus Plan as of the date of termination, after which time the Silvercorp RSUs and Silvercorp PSUs shall in all respects terminate.
- *Death* – If a Participant dies, all outstanding Silvercorp RSUs and Silvercorp PSUs that were vested on or before the date of the date of death such Participant shall be settled in accordance with the applicable settlement provisions of the Omnibus Plan as of the date of death. Outstanding Silvercorp RSUs that were not vested on or before the date of death shall vest and be settled in accordance applicable settlement provisions of the Omnibus Plan as of the date of death, prorated to reflect the actual period between the grant date of the Silvercorp RSU and the date of death. Outstanding Silvercorp PSUs that were not vested on or before the date of death shall vest and be settled in accordance with the applicable settlement provisions of the Omnibus Plan as of the date of death, prorated to reflect the actual period between the commencement of the performance cycle and the date of death, based on the performance criteria for the applicable performance period(s) up to the date of death. Subject to the foregoing, any remaining Silvercorp RSUs and Silvercorp PSUs shall in all respects terminate as of the date of death.

General

- *Assignment* – Except as may otherwise be specifically determined by the Silvercorp Board with respect to a particular Award, Awards granted under the Omnibus Plan are non-assignable and non-transferable other than by will or by the laws of descent and distribution.
- *Change of Control* – In the event of a Change of Control (as defined in the Omnibus Plan), all unvested Awards then outstanding will, as applicable, be substituted by or replaced with awards of the surviving corporation (or any affiliate thereof) or the potential successor (or any affiliate thereto) (the “continuing entity”) on the same terms and conditions as the original Awards, subject to appropriate adjustments that do not diminish the value of the original Awards. If, upon a Change of Control, the continuing entity fails to comply with this requirement, the vesting of all then outstanding Awards (and, if applicable, the time during which such Awards may be exercised) will be accelerated in full. Additionally, in the event of a potential Change of Control, the Silvercorp Board will have the power, in its sole discretion, to modify the terms of the Omnibus Plan and/or the Awards to assist the Participants in tendering to a take-over bid or other transaction leading to a Change of Control (including to accelerate the vesting of Awards and to permit Participants to conditionally exercise their Awards).
- *Amendments Not Requiring Shareholder Approval* – The Silvercorp Board may amend the Omnibus Plan or Awards at any time, provided, however, that no such amendment may adversely affect any Award previously granted to a Participant without the consent of the Participant, except to the extent *required* by applicable law (including TSX requirements). Any such amendment will be subject to all necessary regulatory approvals.
- *Amendments Requiring Shareholder Approval* – Shareholder approval (or disinterested shareholder approval, if required by the policies of the TSX) will be required for the following types of amendments:

- an increase in the number of Shares issuable under Awards granted pursuant to the Omnibus Plan;
 - a reduction in the exercise price of a Silvercorp Option, or a cancellation and reissuance of a Silvercorp Option;
 - an extension of (i) the term of a Silvercorp Option beyond its original expiry date, or (ii) the date on which a Silvercorp PSU or Silvercorp RSU will be forfeited or terminated in accordance with its terms, other than in accordance with the Omnibus Plan;
 - a revision to the assignment provisions to permit Awards granted under the Plan to be transferable or assignable other than for estate settlement purposes;
 - a revision to the insider participation limits or the non-executive director limits;
 - a revision to the amending provisions; or
 - any amendment required to be approved by shareholders of Silvercorp under applicable law (including without limitation, pursuant to the policies of the TSX).
- **Black Out *Periods*** – If the expiry date or vesting date of an Award falls (other than a Silvercorp PSU or Silvercorp RSU awarded to a Canadian resident) is (i) during a self-imposed blackout period imposed under any insider trading policy or similar policy of Silvercorp (a Blackout Period), or (ii) within two business days following the end of a Blackout Period, the expiry date or vesting date, as applicable, will be automatically extended for a period of ten business day after the earlier of the end of such Blackout Period, or, provided the Blackout Period has ended, the expiry date or vesting date of such Award. In the case of a Silvercorp RSU or Silvercorp PSU awarded to a Canadian resident, any settlement that is effected during a Blackout Period shall be settled in cash, notwithstanding any other provision of the Omnibus Plan.

6 Information on OreCorp

6.1 Disclaimer

The following information on OreCorp has been prepared based on a review of publicly available and limited non-public information and should not be considered comprehensive. Subject to the Corporations Act, none of the Silvercorp, Silvercorp Board, nor any member of Silvercorp Group or their respective officers or employees make any representation or warranty (express or implied) as to the accuracy or completeness of this information (including but not limited to Mineral Resource and Ore Reserve statements) and such information has not been independently verified.

Further information relating to OreCorp Group's business may be included in OreCorp's target statement which OreCorp must provide to OreCorp Shareholders in response to this Bidder's Statement.

6.2 Overview

OreCorp is a Western Australian based mineral development company which has been listed on the ASX under the code "ORR" since 2013.

OreCorp's key project is the multi-million ounce Nyanzaga Project in northwest Tanzania.

The Special Mining Licence (**SML**) for the Project was granted to SMCL on 13 December 2021 to SMCL. SMCL is a joint venture company in which OreCorp holds an 84% interest through its wholly-owned subsidiary, NMCL and the Treasury Registrar of the Tanzanian Government holds a 16% free carried interest in accordance with the Tanzanian Mining Act.

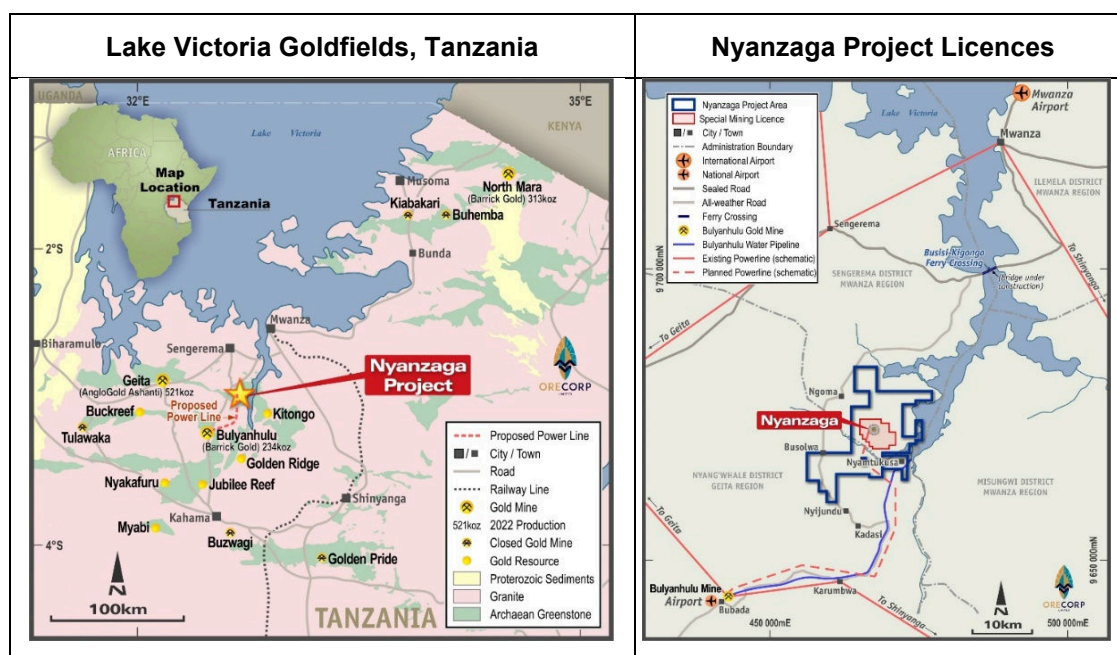
Further information on OreCorp can be obtained from OreCorp's website at www.orecorp.com.au.

6.3 Key business operations

Nyanzaga Project Overview

The Nyanzaga Project is located in prime real estate within the Archean Greenstones of the Lake Victoria Goldfields, northwest Tanzanian (refer below). The Project comprises SML 653/2021 (23.4km²) and other surrounding prospecting licences and applications covering an additional 164km² (refer below).

Nyanzaga is within the Sengerema District of the Mwanza Region and is accessed from Mwanza (Tanzania's second largest city) via the sealed Mwanza-Geita Highway, crossing Smith Sound by ferry at Busisi, then turning southwest to Ngoma Village, refer below. A bridge crossing Smith Sound is currently under construction and due for completion in 2024 which will significantly improve access to the Project.



Geology and Mineral Resource Estimate

The Nyanzaga and Kilimani Mineral Resource Estimates (**MRE**) were reported by OreCorp in September 2017¹⁴ and May 2022¹⁵, respectively and included drilling undertaken by OreCorp, as well as historical drilling since the early 1990's.

The MRE for the Nyanzaga deposit is reported at a cut-off grade of 1.5 g/t gold and is classified in accordance with the JORC Code, as reported in the table below.

OreCorp Limited – Nyanzaga Deposit, Nyanzaga Project Mineral Resource Estimate as of 12 September 2017			
Classification	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (Moz)
Measured	4.63	4.96	0.738
Indicated	16.17	3.80	1.977
Sub-Total M & I	20.80	4.06	2.715
Inferred	2.90	3.84	0.358
Total	23.70	4.03	3.072
Reported at a 1.5g/t gold cut-off grade. MRE defined by 3D wireframe interpretation with sub cell block modelling. Gold grade for lower grade sedimentary cycle hosted resources estimated using Uniform Conditioning using a 2.5m x 2.5m x 2.5m SMU. Totals may not add up due to appropriate rounding of the MRE. Assuming gold price of US\$1,250.			

The MRE for Kilimani is reported at a cut-off grade of 0.4 g/t Au and is classified in accordance with the JORC Code, as shown in the table below.

¹⁴ OreCorp ASX announcement dated 12 September 2017 (“*MRE Update for the Nyanzaga Project Increasing Category and Grade*”)

¹⁵ OreCorp ASX announcement dated 5 May 2022 (“*DFS Completion and Kilimani Mineral Resources Estimate Update*”)

Kilimani Gold Deposit, Nyanzaga Project Mineral Resource Estimate as of 2 May 2022			
Classification	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)
Indicated	3.4	1.09	119
Inferred	2.9	1.02	94
Total	6.3	1.06	213
Reported at a cut-off grade of 0.40 g/t Au and classified in accordance with the JORC Code MRE defined by 3D wireframe interpretation with sub-cell block modelling to honour volumes. Gold grade estimated using Ordinary Kriging using a 5 m x 5 m x 2 m parent cell. Totals may not add up due to appropriate rounding of the MRE (nearest 5,000 t and 1,000 oz Au). Reasonable prospects for eventual economic extraction supported by a conceptual pit optimisation generated using a gold price of US\$1,500.			

Further information relating to the Nyanzaga Project may be included in OreCorp's target statement which OreCorp must provide to OreCorp Shareholders in response to this Bidder's Statement.

6.4 Financial information of OreCorp

The historical information below has been taken from OreCorp's audited financial statements for the years ended 30 June 2023, 30 June 2022 and 30 June 2021. The full consolidated financial statements for the years ended 30 June 2023, 30 June 2022 and 30 June 2021 can be found in the corresponding annual reports that are available on ASX or on OreCorp's website.

The historical financial information set out in this section is intended to provide an overview of OreCorp's historical financial performance, position and cash flows, it shows the OreCorp Group on a standalone basis and, accordingly, does not reflect any impact of the Offer. The historical financial information is not intended to provide the level of detail or understanding which is available from a review of the OreCorp Group's published financial reports (which include the full financial accounts and the notes to those accounts) which are available on ASX or on OreCorp's website.

Further details on OreCorp's financial performance and financial statements for the year ended 30 June 2023 are set out in the 2023 Annual Report announced to the ASX on 25 September 2023.

(a) Historical consolidated statements of profit or loss

The historical information below has been taken from OreCorp's audited consolidated statements of profit or loss for the years ended 30 June 2023, 30 June 2022 and 30 June 2021.

	OreCorp consolidated		
	2021 A\$	2022 A\$	2023 A\$
Interest income	30,932	151,700	474,984
Foreign exchange (loss) / gain	(1,073,560)	465,469	(104,797)
Corporate and administration costs	(2,575,994)	(5,857,403)	(7,012,265)
Exploration and evaluation costs	(4,648,001)	(16,483,246)	(13,358,671)
Business development costs	(309,575)	(120,868)	-
Other income	230,978	-	-
Loss before tax from continuing operations	(8,345,220)	(21,844,348)	(20,000,749)
Income tax expense	-	-	-
Loss after tax from continuing operations	(8,345,220)	(21,844,348)	(20,000,749)

	OreCorp consolidated		
	2021	2022	2023
	A\$	A\$	A\$
Loss from discontinued operations	(890,088)	(5,008,469)	-
Loss for the year	(9,235,308)	(26,852,817)	(20,000,749)
Loss attributable to:			
- Members of the parent	(9,235,308)	(26,852,822)	(19,348,279)
- Non-controlling interest	-	5	(652,470)
	(9,235,308)	(26,852,817)	(20,000,749)

(b) Historical consolidated statements of financial position

The historical information below has been taken from OreCorp's audited consolidated statements of financial position for the years ended 30 June 2023, 30 June 2022 and 30 June 2021.

	OreCorp consolidated		
	2021	2022	2023
	A\$	A\$	A\$
Current assets			
Cash and cash equivalents	66,302,250	31,853,665	13,462,027
Other current assets	413,624	266,078	633,659
Total current assets	66,715,874	32,119,743	14,095,686
Non-current assets			
Plant and equipment	267,468	602,906	631,885
Right of use assets	242,325	140,153	40,021
Exploration and evaluation assets	19,582,047	18,138,900	18,968,070
Total non-current assets	20,091,840	18,881,959	19,639,976
Total assets	86,807,714	51,001,702	33,735,662
Current liabilities			
Trade and other payables	12,165,810	1,757,573	2,850,777
Lease liabilities	105,752	115,629	43,159
Provisions	321,638	358,658	478,756
Total current liabilities	12,593,200	2,231,860	3,372,692
Non-current liabilities			
Lease liabilities	147,042	35,182	-
Provisions	17,106	32,429	59,410
Total non-current liabilities	164,148	67,611	59,410
Total liabilities	12,757,348	2,299,471	3,432,102
Net assets	74,050,366	48,702,231	30,303,560
Equity			
Issued capital	132,813,942	136,727,471	137,193,571
Reserves	(8,391)	1,692,013	2,485,485
Accumulated losses	(58,755,185)	(89,717,258)	(108,717,731)
Equity attributable to equity holders of the Company	74,050,366	48,702,226	30,961,325
Non-controlling interest	-	5	(657,765)
Total equity	74,050,366	48,702,231	30,303,560

(c) **Historical consolidated statements of cash flows**

The historical information below has been taken from OreCorp's audited consolidated statements of cash flow for the years ended 30 June 2023, 30 June 2022 and 30 June 2021.

	OreCorp consolidated		
	2021 A\$	2022 A\$	2023 A\$
Cashflows from operating activities			
Interest received	30,932	151,700	467,652
Receipt of government grants and other tax refunds	230,978	-	-
Interest and other costs of finance paid	-	(13,278)	(530,547)
Payments to suppliers and employees	(7,251,744)	(23,251,572)	(17,836,526)
Net cash outflow from operating activities	(6,989,834)	(23,113,150)	(17,899,421)
Cashflows from investing activities			
Purchase of property, plant and equipment	(216,008)	(746,298)	(311,080)
Purchase of WA exploration and evaluation assets	-	(118,311)	-
Final payment for the acquisition of Nyanzaga	-	(11,047,218)	-
Net cash outflow from the demerger of Solstice	-	(5,000,000)	-
Net cash outflow from investing activities	(216,008)	(16,911,827)	(311,080)
Cashflows from financing activities			
Proceeds from issue of shares	52,460,000	3,600,000	-
Proceeds from exercise of options	99,000	1,815,000	-
Payments for share issue transaction costs	(2,689,202)	(213,275)	-
Payment of principal portion of lease liabilities	(88,549)	(106,323)	(107,652)
Net cash inflow / (outflow) from financing activities	49,781,249	5,095,402	(107,652)
Net increase / (decrease) in cash and cash equivalents	42,575,407	(34,929,575)	(18,318,153)
Foreign exchange movement on cash and cash equivalents	(1,073,560)	480,990	(73,485)
Cash and cash equivalents at beginning of financial year	24,800,403	66,302,250	31,853,665
Cash and cash equivalents at end of financial year	66,302,250	31,853,665	13,462,027

6.5 Capital structure

(a) **OreCorp Shares**

As at the date of this Bidder's Statement and as at the date of the Offer, there are 469,408,892 OreCorp Shares on issue (of which Silvercorp holds 73,889,007).

(b) **OreCorp Options**

As at the date of this Bidder's Statement and as at the date of the Offer, OreCorp has 3,725,257 OreCorp Options on issue, comprising 2,575,257 OreCorp \$0.9906 Options and 1,150,000 OreCorp \$0.9066 Options. All of the OreCorp Options are vested and have an expiry date of 25 November 2024.

As noted in section 3.1, Silvercorp is not offering to acquire any OreCorp Options under the Offer. Instead, in accordance with the terms of the Bid Implementation Deed, Silvercorp has agreed to make an offer to each holder of OreCorp Options for the acquisition of their OreCorp Options in exchange for the Ascribed Value applicable to the relevant OreCorp Option. If any OreCorp Options are not acquired by Silvercorp, the Offer also extends to all OreCorp Shares that are issued between

the Register Date and the end of the Offer Period as a result of exercise of the OreCorp Options that exist on the Register Date.

(c) **OreCorp Performance Rights**

As at date of this Bidder's Statement and as at the date of the Offer, OreCorp has 4,012,106 OreCorp Performance Rights on issue, comprising 1,562,106 OreCorp Performance Rights with an expiry date of 22 November 2026 and 2,450,000 OreCorp Performance Rights with an expiry date of 26 August 2027.

The OreCorp Performance Rights that exist on the Register Date will vest upon the change of control event arising as a result of the Offer and be able to be exercised. As noted in section 3.1, the Offer also extends to all OreCorp Shares that are issued between the Register Date and the end of the Offer Period as a result of exercise of the OreCorp Performance Rights that exist on the Register Date.

6.6 OreCorp Board

As at the date of this Bidder's Statement, the members of the OreCorp Board are as follows:

- Matthew Yates – Executive Chairman
- Henk Diederichs – CEO & Managing Director
- Alastair Morrison – Non-Executive Director
- Michael Klessens – Non-Executive Director
- Michael Davis – Non-Executive Director

6.7 Current trading and outlook

The current price of OreCorp Shares on ASX can be obtained from the ASX website (www.asx.com.au).

6.8 Recent OreCorp share price performance

OreCorp Shares are listed on ASX under the trading symbol 'ORR'.

The last recorded closing price of OreCorp Shares on the ASX on 4 August 2023, being the last trading day prior to the announcement of the Scheme, was A\$0.435. The last recorded closing price for OreCorp Shares on the ASX on 22 December 2023, being the last trading day prior to the announcement of the Offer, was A\$0.510.

As at 22 December 2023, being the last trading day prior to the announcement of the Offer:

- the highest recorded closing price of OreCorp Shares in the previous 4 months was A\$0.535 per OreCorp Share on 18 September 2023; and
- the lowest recorded closing price of OreCorp Shares in the previous 4 months was A\$0.445 per OreCorp Share on 6 November 2023.

6.9 OreCorp Directors' interests in OreCorp securities

Based on publicly available information lodged with ASX, the OreCorp Directors and the number of OreCorp Shares, OreCorp Options and OreCorp Performance Rights held by or on behalf of each of them as at the date of this Bidder's Statement are set out below:

Name	OreCorp Shares	OreCorp Options	Consideration payable for acquisition of OreCorp Options (based on Ascribed Value)	OreCorp Performance Rights	Implied value of OreCorp Performance Rights ¹⁶
Matthew Yates	10,590,998	1,059,603 ¹⁷	\$21,192.06	1,060,208	\$570,235
Henk Diederichs	250,000	-	-	804,274	\$432,581
Alastair Morrison	5,137,597	250,000 ¹⁸	\$7,500	-	-
Michael Klessens	2,509,365	250,000 ¹⁹	\$7,500	-	-
Michael Davis	-	-	-	-	-

6.10 Substantial shareholders of OreCorp

As at the date of this Bidder's Statement, the following persons had notified OreCorp that they had a Relevant Interest in 5% or more of OreCorp Shares on issue²⁰:

Name	Number of OreCorp Shares	Percentage
Perseus Mining Limited	93,412,369	19.9%
Silvercorp Metals Inc	73,889,007	15.74%
Rollason Pty Ltd (Giorgetta Super Plan)	49,136,589	10.47%
Mutual Investments Pty Ltd	26,248,575	5.59%
Timothy R B Goyder	24,125,756	5.14%

6.11 Publicly available information about OreCorp

OreCorp is a disclosing entity for the purposes of the Corporations Act and is subject to periodic reporting and disclosure obligations under the Corporations Act and the ASX Listing Rules. These obligations require OreCorp to notify ASX of information about specified matters

¹⁶ Based on the Silvercorp Share's volumed weighted average market price of US\$2.41 in the ordinary course of trading during the two full trading days of 9 January 2024 and 10 January 2024 on the NYSE American and the AUD:USD exchange rate of 1.495 as at 10 January 2024.

¹⁷ OreCorp \$0.9906 Options

¹⁸ OreCorp \$0.9066 Options

¹⁹ OreCorp \$0.9066 Options

²⁰ Based on the substantial shareholders notices given to ASX and OreCorp.

and events as they arise for the purpose of ASX making that information available to participants in the market.

Once OreCorp becomes aware of any information concerning it which a reasonable person would expect to have a material effect on the price or value of an OreCorp Share, OreCorp must (subject to limited exceptions) immediately notify the ASX of that information. Additionally, ASIC maintains a record of documents OreCorp has lodged with it, which may be obtained or inspected at any office of ASIC.

Publicly disclosed information about all ASX-listed entities, including OreCorp, is available on the ASX website at <https://www.asx.com.au>. OreCorp's annual and interim reports and public announcements are also available on the OreCorp website at <https://www.orecorp.com.au/investor-centre>.

7 Silvercorp's intentions

7.1 Introduction

This section sets out Silvercorp's intentions, on the basis of the facts and information concerning OreCorp which are known to Silvercorp, and the existing circumstances affecting the business of OreCorp, in relation to the following:

- (a) the continuation of OreCorp's business and assets;
- (b) any major changes to be made to the business of OreCorp; and
- (c) the future employment of the present employees of OreCorp.

Those intentions have been formed on the basis of the facts and information regarding OreCorp, and the general business environment, which are known to Silvercorp at the time of preparation of this Bidder's Statement. Final decisions on these matters have not been made and will only be reached in the light of all material facts and circumstances at the relevant time, including once Silvercorp has had an opportunity to conduct a review of OreCorp's operations and assets following the close of the Offer, subject to the outcome of the Offer and Silvercorp's Relevant Interest in OreCorp. Accordingly, the statements set out in this section are statements of current intentions only, which may vary as new information becomes available or circumstances change.

The statements in this section 7 should be read in this context.

7.2 Intentions if Silvercorp acquires a Relevant Interest in 90% or more of OreCorp Shares

This section sets out Silvercorp's current intentions if it acquires a Relevant Interest in 90% or more of the OreCorp Shares.

(a) Compulsory acquisition

If during, or at the end of the Offer Period:

- (i) Silvercorp and its Associates collectively have Relevant Interests in at least 90% (by number) of the OreCorp Shares; and
- (ii) Silvercorp and its Associates have acquired at least 75% (by number) of the OreCorp Shares for which the Offers are made under the Offer,

Silvercorp will be entitled to compulsorily acquire all outstanding OreCorp Shares and presently intends to do so, by giving a notice pursuant to Part 6A.1 of the Corporations Act to compulsorily acquire all outstanding OreCorp Shares, even if the OreCorp Shares to which those notices relate are issued:

- (iii) after the Offer closes but before notices are given (pursuant to section 661A(4)(b) of the Corporations Act); or
- (iv) on exercise of OreCorp Options or OreCorp Performance Rights, up to 6 weeks after the notices are given (pursuant to section 661A(4)(c) of the Corporations Act).

If it is required to do so under section 662A and section 663A of the Corporations Act, Silvercorp intends to give notices to OreCorp Shareholders and holders of OreCorp Performance Rights and OreCorp Options offering to acquire their OreCorp Shares and OreCorp Performance Rights and OreCorp Options in accordance with section 662B and section 663B of the Corporations Act.

Following completion of such compulsory acquisition process, OreCorp would be a wholly-owned Subsidiary of Silvercorp and Silvercorp would be entitled to exercise its rights as the sole shareholder of OreCorp.

(b) Directors

Silvercorp intends to replace all members of the board of OreCorp and of any company in respect of which OreCorp has nominee directors with its own nominees, although Silvercorp reserves the right to allow individual directors to remain in office.

(c) ASX Listing

At the conclusion of the compulsory acquisition process, Silvercorp intends to arrange for OreCorp to be removed from the official list of the ASX.

As noted in the Scheme Booklet, Silvercorp had been consulting with ASX in relation to its proposed application to be admitted to the official list of the ASX. Silvercorp intends to continue to explore the possibility, and assess the benefits and costs, of being admitted to the official list of ASX. If that occurs, holders of Silvercorp Shares will be able to convert their Silvercorp Shares into Silvercorp CDIs which will be tradeable on the ASX. However, as at the date of this Bidder's Statement, it is unclear whether or when Silvercorp will submit its formal listing application to ASX and, if it does so, whether and when its application to be admitted to the official list of the ASX will be approved.

(d) Operating structure

Following the conclusion of the compulsory acquisition process, Silvercorp intends to undertake a review of the operating structure of the OreCorp Group which may result in Silvercorp implementing changes to the operating structure of either or both of the OreCorp Group and the Silvercorp Group.

While it is currently expected that the operating structure will largely follow the Silvercorp Group's operating structure, as described in section 4, until Silvercorp undertakes its review of the OreCorp Group's operating structure, Silvercorp is unable to provide any detailed information regarding any potential changes to the OreCorp Group's operating structure, other than that described in this section 7.

(e) Operations and assets

Following the conclusion of the compulsory acquisition process, Silvercorp will have the following key operations:

- the Ying Mining District and the GC Mine – Silvercorp's existing mines are expected to remain unchanged following the close of the Offer. A summary of Silvercorp's Ying Mining District and the GC Mine is set out in section 4.2; and
- the Nyanzaga Project – Silvercorp intends to advance the development of the Nyanzaga Project, aiming to commence commercial gold production in the second half of 2025. A summary of the Nyanzaga Project is set out in section 6.3.

Silvercorp will continue to maximise profitable production from its operating mines, including the Ying Mining District and the GC Mine and advance its exploration projects. Silvercorp will also further advance the development of the Nyanzaga Project. Silvercorp will also consider future optimisation work for the Nyanzaga Project which may include changes to the scale of the operation or works that are different from those set out in the definitive feasibility study for the Nyanzaga Project that has been released by OreCorp, but only if and when such concepts have been confirmed by a detailed updated feasibility study. Until Silvercorp undertakes further

studies for the Nyanzaga Project, Silvercorp is unable to provide any detailed information regarding any potential changes to the development plan of the Nyanzaga Project, other than that described in this section 7.

(f) Employees

Silvercorp intends to conduct a comprehensive review of all current OreCorp employees to determine their suitability for permanent roles after the close of the Offer. Employees that are not offered employment with Silvercorp will receive their full contractual and statutory entitlements, which would be paid from Silvercorp's cash reserves.

(g) Headquarters

As at the date of this Bidder's Statement, no decision has been made with respect to OreCorp's current headquarters.

7.3 Intentions upon acquiring a Relevant Interest in 50.1% or more and less than 90% of OreCorp Shares

This section sets out Silvercorp's intentions if Silvercorp were to gain effective control of OreCorp although not becoming entitled to compulsorily acquire the outstanding OreCorp Shares.

(a) ASX Listing

If OreCorp ceases to have the required spread of shareholders as required under the ASX Listing Rules, OreCorp may be removed from the ASX (as applicable).

If Silvercorp acquires control of OreCorp but is not able to move to compulsory acquisition of the remaining OreCorp Shares, Silvercorp intends to cause OreCorp to apply for removal from the official list of ASX (if it becomes entitled to do so).

ASX Guidance Note 33 provides that OreCorp Shareholder approval is not usually required for the removal of OreCorp from the official list of ASX where certain conditions are satisfied, including if following the close of the Offer:

- Silvercorp and its Related Bodies Corporate own or control at least 75% of OreCorp Shares but have not met the conditions to proceed to compulsory acquisition of the remaining OreCorp Shares under the Corporations Act;
- excluding Silvercorp and its Related Bodies Corporate, the number of holders of OreCorp Shares having holdings with a value of at least \$500 is fewer than 150;
- the Offer remains open for at least 2 weeks following Silvercorp and its Related Bodies Corporate have acquired ownership or control of at least 75% of the OreCorp Shares; and
- the removal request from the official list of the ASX follows a successful takeover bid but no later than one month after the close of the Offer.

If the conditions contemplated above are satisfied, Silvercorp may send a notice to all remaining OreCorp Shareholders advising them of the nominated time and date at which OreCorp would be removed from the official list of ASX, being a date not earlier than three months after the date the notice was given. If OreCorp is removed from the official list of the ASX, any remaining OreCorp Shareholders who do not sell their OreCorp Shares on ASX before OreCorp is removed from the official list of the ASX, would face risks associated with the potential reduced liquidity of unlisted OreCorp Shares.

(b) Operations, assets and employees

If, following the close of the Offer, OreCorp becomes a controlled entity but not a wholly owned Subsidiary of Silvercorp, it is the present intention of Silvercorp to be actively involved in influencing the strategic direction of the business of OreCorp to the greatest extent that it is permitted by law.

Silvercorp intends to cause OreCorp to advance the development of the Nyanzaga Project and build the mine. Silvercorp will also consider pursuing opportunities for optimisation, such as changes to the scale of the operation or works that are different from those set out in the definitive feasibility study for the Nyanzaga Project that has been released by OreCorp, but only if and when such concepts have been confirmed by a detailed feasibility study. Until Silvercorp undertakes further studies for the Nyanzaga Project, Silvercorp is unable to provide any detailed information regarding any potential changes to the development plan of the Nyanzaga Project, other than that described in this section 7.

Silvercorp intends to, after the end of the Offer Period, conduct a general strategic and operational review of OreCorp's structure, assets, business, capital structure and personnel. Subject to the outcome of the Offer and the review result, the management team of OreCorp may be enhanced or supplemented by Silvercorp, with a view to ensuring that OreCorp has the best possible skills and resources available to undertake its business. However, as at the date of this Bidder's Statement, Silvercorp has not determined the scope of any staff changes.

(c) Directors

Silvercorp intends to (subject to the formal requirements of the Corporations Act and of the OreCorp constitution) procure the appointment of a majority of Silvercorp nominees to the OreCorp Board. The identity of such nominee directors has not yet been finally determined.

Mr Matthew Yates, the Executive Chairman of OreCorp, has agreed to stay on his role if Silvercorp has acquired a Relevant Interest in at least 50.1% of OreCorp Shares but has not met the conditions to proceed to compulsory acquisition of the remaining OreCorp Shares, until the earlier of (unless Mr Yates and Silvercorp agree otherwise):

- when OreCorp is removed from the official list of ASX; and
- 12 months following the Offer becomes or is being declared unconditional.

(d) Limitations on intentions

To the extent that OreCorp does not become a wholly owned Subsidiary of Silvercorp and there are a minority of OreCorp Shareholders, Silvercorp intends that the directors of OreCorp appointed by it will act at all times in accordance with their fiduciary duties and that all requisite shareholder approvals and other legal requirements are complied with in pursuing any of the intentions outlined above.

Those requirements may require the approval of minority OreCorp Shareholders to the implementation of any particular objective.

The requirement to have regard to those fiduciary duties in the context of a partly owned company and the possible requirements of minority OreCorp Shareholder approval may prevent the particular objective being achieved.

(e) Further acquisition of OreCorp Shares

Silvercorp may, at some later time, acquire further OreCorp Shares in a manner consistent with the Corporations Act and any other applicable laws.

(f) Compulsory acquisition at a later time

If Silvercorp becomes entitled at some later time to exercise general compulsory acquisition rights under Part 6A.2 of the Corporations Act, it may exercise those rights.

7.4 Intentions if Silvercorp acquires a Relevant Interest in less than 50.1% of OreCorp Shares

If Silvercorp waives its 50.1% Minimum Acceptance Condition and acquires a Relevant Interest in less than 50.1% of the OreCorp Shares, Silvercorp does not expect to be in a position to give effect to the intentions set out in this section 7 and it would have regard to the circumstances at the time and consider the appropriate courses of action that are in the best interest of Silvercorp and may review its shareholding in OreCorp.

7.5 Limitations on intentions

The intentions and statements of future conduct set out in this section 7 must be read as being subject to:

- (a) the law (including the Corporations Act) and the ASX Listing Rules, including in particular the requirements of the Corporations Act and the ASX Listing Rules in relation to conflicts of interest and “related party” transactions given that if Silvercorp obtains control of OreCorp but does not acquire all of the OreCorp Shares it will be treated as a related party of OreCorp for these purposes;
- (b) the legal obligations of OreCorp Directors at the time, including any nominees of Silvercorp to act in good faith in the best interests of OreCorp and for proper purposes and to have regard to the interests of all OreCorp Shareholders (in which regard, the role of independent directors of OreCorp will also be important).

8 Profile of the Merged Group

8.1 Introduction

This section 8 provides a description of the effect of the Offer on the Silvercorp Group and a profile of the Merged Group, assuming that OreCorp becomes a wholly-owned Subsidiary of Silvercorp. If Silvercorp does not acquire at least 90% of the OreCorp Shares during the Offer Period and therefore does not become entitled to compulsorily acquire the remainder of the OreCorp Shares, some of the benefits that would otherwise accrue to Silvercorp if OreCorp were to become a wholly-owned Subsidiary of Silvercorp may not be fully realised.

For further information in this regard please see section 7.3 of this Bidder's Statement.

8.2 Operating structure and principal activities

As noted in section 7.2 of this Bidder's Statement, Silvercorp intends to undertake a review of the operating structure of the OreCorp Group which may result in Silvercorp implementing changes to the operating structure of either or both of the OreCorp Group and the Silvercorp Group. Silvercorp will continue to maximise profitable production from its operating mines, including the Ying Mining District and the GC Mine, further advance the development of the Nyanzaga Project and advance its exploration projects.

8.3 Resources and reserves of the Merged Group

The Merged Group will have mineral resources and reserves combined of the current Silvercorp's resources and reserves and OreCorp's resources and reserves.

Further information in relation to Silvercorp's resources and reserves are set out in section 4.2.

Further information in relation to OreCorp resources and reserves are set out in section 6.3.

8.4 Strategic direction

The Merged Group's strategy will be to continue creating shareholder value by focusing on generating free cashflow from long life mine, bringing development projects into commercial production, organic growth through optimisation, expansion, and extensive drilling for discovery at existing mines and projects, an ongoing merger and acquisition strategy to enhance diversification and grow accretively, and a long-term commitment to responsible mining and sound ESG practices.

In light of the above, the Merged Group will direct its efforts towards the following specific strategic initiatives:

- continue to deliver profitable production at its portfolio of high margin, long mine life assets in China, as well as streamline these mine operations to optimise capital expenditure, boost productivity and reduce costs;
- leverage the Merged Group's best-in-class technical team to seamlessly transition into the project execution phase at the Nyanzaga Project, build the mine, and pursue opportunities for optimisation;
- identify and pursue strategic merger and acquisition opportunities which support the growth of the Merged Group's production, cash flows and return profile for shareholders;
- target a diversified basket of executable, high quality, high margin, long life projects and mines that have reasonable cost profiles and development timelines in mining-friendly jurisdictions;

- through a combination of near-mine and regional exploration drilling programs, replace reserves as they are depleted and grow resources across the Merged Group's global asset base;
- opportunistically invest in and incubate world-class mineral opportunities as potential avenues for future growth; and
- preserve the Merged Group's robust balance sheet and liquidity profile.

8.5 Dividend policy

It is expected that Silvercorp's current dividend policy, as outlined in section 5.3, will be the dividend policy of the Merged Group following the Offer. The declaration and payment of future dividends, if any, is at the discretion of the Silvercorp Board and will be based on a number of relevant factors including commodity prices, market conditions, financial results, cash flows from operations, and expected cash requirements.

8.6 Capital structure of the Merged Group

The table below summarises the number of Silvercorp Shares that will be post Offer:

Silvercorp Shares	Number
As at the date of this Bidder's Statement	177,048,198
Maximum Silvercorp Shares to be issued under the Offer	38,634,744
Maximum Silvercorp Shares post Offer	215,682,942

Notes:

- 1 Based on 399,531,991 OreCorp Shares on issue that are not held by Silvercorp as at the date of this Bidder's Statement, and assuming all OreCorp Performance Rights are vested and exercised prior to the end of the Offer Period and all OreCorp Options are acquired by Silvercorp and remain unexercised.
- 2 Assuming a 100% take up under the Offer.
- 3 The maximum number of Silvercorp Shares to be issued under the Offer in the table above does not contemplate rounding.
- 4 Assuming no Silvercorp Options or Silvercorp RSUs are exercised between the date of this Bidder's Statement and the end of Offer Period.
- 5 Assuming Silvercorp has not cancelled any Silvercorp Shares that have been repurchased by Silvercorp under the Silvercorp Share Repurchase Program.

8.7 Merged Group unaudited pro forma historical financial information

(a) Merged Group financial information

This section contains the following proforma historical financial information in respect of the Merged Group:

- unaudited proforma historical income statements for the year ended 31 March 2023 and the quarter ended 30 June 2023 of the Merged Group (**Merged Group Unaudited Proforma Historical Income Statements**);
- unaudited proforma historical statement of financial position as at 30 June 2023 of the Merged Group (**Merged Group Unaudited Proforma Historical Statement of Financial Position**); and

- unaudited proforma historical statements of cashflows for the year ended 31 March 2023 and the quarter ended 30 June 2023 of the Merged Group (**Merged Group Unaudited Proforma Historical Statements of Cashflows**),

(together, the **Merged Group Unaudited Proforma Historical Financial Information**).

(b) Basis of preparation

The Merged Group Unaudited Proforma Historical Financial Information has been derived from the historical financial information provided by Silvercorp and OreCorp respectively, and prepared in accordance with the recognition and measurement principles prescribed in the International Financial Reporting Standards (**IFRS**), other than it is presented on a pro forma basis as if the Offer had already occurred and Silvercorp had acquired 100% of OreCorp Shares and taking into account certain proforma adjustments set out in sections 8.7(e), 8.7(f) and 8.7(g) below.

The Merged Group Unaudited Proforma Historical Financial Information is presented in abbreviated form and consequently does not contain all presentation and disclosures that are usually provided in an annual report prepared in accordance with the Corporations Act.

The Merged Group Unaudited Proforma Historical Financial Information has been prepared for illustrative purposes to provide OreCorp Shareholders with an indication of the financial performance, financial position and cashflows of the Merged Group as if Silvercorp has acquired 100% of OreCorp Shares prior to the commencement of the relevant financial year (or quarter, as applicable).

The Merged Group Unaudited Proforma Historical Financial Information does not reflect the actual performance, financial position or cashflows of the Merged Group at the time when and if Silvercorp acquires 100% of OreCorp Shares. It has been prepared for illustrative purposes only for this Bidder's Statement.

The Merged Group Unaudited Proforma Historical Financial Information presented contains:

- the Merged Group Unaudited Proforma Historical Income Statements and Merged Group Unaudited Proforma Historical Statements of Cashflows for the year ended 31 March 2023 and the quarter ended 30 June 2023, which are derived from Silvercorp's and OreCorp's historical financial information, and adjusted for proforma adjustments in sections 8.7(e) and 8.7(g) below, respectively; and
- the Merged Group Unaudited Proforma Historical Statement of Financial Position as at 30 June 2023, which is derived from Silvercorp's and OreCorp's historical financial information, and adjusted for pro forma adjustments set out in section 8.7(f) below.

The Merged Group Unaudited Proforma Historical Financial Information is presented in US\$000s in line with Silvercorp's functional and presentation currency, with OreCorp's historical statement of financial position translated at the spot rate as at 30 June 2023 and OreCorp's historical income statements and statements of cashflows translated at the average rate over the relevant period.

The Merged Group Unaudited Proforma Historical Financial Information is presented using a financial year ended 31 March 2023, in line with Silvercorp's financial year. OreCorp's historical financial information has been converted into the financial year ended 31 March by using the audited financial statements for the year-ended 30 June 2023, adjusted by removing the final quarter financials (Quarter to 30 June 2023) and adding the final quarter in the previous financial year (Quarter to 30 June 2022).

(c) Basis of proforma

From an accounting perspective, Silvercorp will gain control over OreCorp. An assessment has been made under IFRS 3 Business Combinations (**IFRS 3**), determining that Silvercorp's acquisition of OreCorp would meet the definition of an asset acquisition, as opposed to a business combination. Accordingly, the fair value of the purchase consideration, applicable transaction costs are allocated to the identifiable assets acquired and liabilities assumed on a fair value basis.

The value of the consideration for the acquisition of the OreCorp Shares not already owned by Silvercorp under the Offer will be measured based upon the value of the Silvercorp Shares at close of trading when Silvercorp pays the Offer Consideration to the relevant OreCorp Shareholders who have accepted the Offer. A combination of cash and scrip (in the form of New Silvercorp Shares) will form the total consideration. For the purposes of the Merged Group Unaudited Proforma Historical Financial Information, a value of A\$0.582 (US\$0.396) for each OreCorp Share (on a fully diluted basis) has been assumed, being cash of A\$0.19 (US\$0.13), plus the merger ratio of 0.0967 of the closing price of Silvercorp Shares on 22 December 2023, resulting in a total consideration of US\$158.2 million (A\$232.7 million).

Consequently, the value of the purchase consideration for accounting purposes may differ from the amount assumed in the Merged Group Unaudited Proforma Historical Financial Information due to changes in the market price of Silvercorp Shares and the timing when Silvercorp issues the Share Consideration to the OreCorp Shareholders who have accepted the Offer.

(d) Items not reflected in the Merged Group Unaudited Proforma Historical Financial Information

As detailed above, the Merged Group Unaudited Proforma Historical Financial Information is provided for illustrative purposes only.

The Merged Group Unaudited Proforma Historical Financial Information presented does not purport to reflect the likely actual or prospective reported financial performance, financial position or cashflows of the Merged Group.

It is likely that the actual financial performance, financial position and cashflows of the Merged Group in future periods will differ from the Merged Group Unaudited Proforma Historical Financial Information presented. The factors which may impact the actual financial performance, financial position or cashflows of the Merged Group include, but are not limited to:

- trading of Silvercorp and OreCorp after 30 June 2023, which is not reflected in the Merged Group Unaudited Proforma Historical Financial Information;
- the risk factors set out in section 10;
- the ultimate timing of when Silvercorp acquires 100% of OreCorp Shares;
- finalisation of the acquisition accounting; and
- current and future changes to accounting standards (if any).

In August 2023, OreCorp issued 70,411,344 OreCorp Shares to Silvercorp at A\$0.40 (US\$0.27) per Share, resulting in aggregate proceeds of A\$28.2 million (US\$18.5 million) being received by OreCorp. Upon completion of the Placement, Silvercorp owned 15% of the total outstanding shares of OreCorp. Since then, Silvercorp has acquired a further 3,477,673 OreCorp Shares on market taking its aggregate holding to 15.74% of the total outstanding OreCorp Shares.

(e) **Merged Group Unaudited Proforma Historical Income Statements**

	Silvercorp	OreCorp	Proforma Adjustment s	Merged Group
Year ended 31 March 2023	US\$000s	US\$000s	US\$000s	US\$000s
Revenue	208,129	-	-	208,129
Cost of mine operations	(137,346)	-	-	(137,346)
Net income from mine operations	70,783	-	-	70,783
Corporate, general & admin	(13,249)	(4,370)	-	(17,619)
Property evaluation & business development	(438)	(6,999)	6,999	(438)
Foreign exchange gain	4,842	12	-	4,854
Loss on equity investments	(2,318)	-	-	(2,318)
Share of loss in associates	(2,901)	-	-	(2,901)
Dilution loss on investment in associate	(107)	-	-	(107)
Loss on disposal of plant & equipment	(444)	-	-	(444)
Impairment of mineral rights & properties	(20,211)	-	-	(20,211)
Other expenses	(2,210)	-	-	(2,210)
Net profit / (loss) before financing and income tax	33,747	(11,357)	6,999	29,389
Finance income	4,654	257	-	4,911
Finance costs	(3,258)	-	-	(3,258)
Net profit / (loss) before tax from continuing operations	35,143	(11,099)	6,999	31,042
Income tax expense	(14,043)	-	-	(14,043)
Net profit / (loss) after tax from continuing operations	21,100	(11,099)	6,999	16,999
Loss from discontinued operations	-	(3,378)	-	(3,378)
Net profit / (loss) for the year	21,100	(14,478)	6,999	13,621
Non-controlling interest	(492)	227	-	(265)
Net profit / (loss) for the year attributable to members	20,608	(14,251)	6,999	13,356

	Silvercorp	OreCorp	Proforma Adjustment s	Merged Group
Quarter ended 30 June 2023	US\$000s	US\$000s	US\$000s	US\$000s
Revenue	60,006	-	-	60,006
Cost of mine operations	(36,705)	-	-	(36,705)
Net income from mine operations	23,301	-	-	23,301
Corporate, general & admin	(3,650)	(1,508)	-	(5,158)
Property evaluation & business development	(109)	(2,512)	2,512	(109)
Foreign exchange loss	(2,227)	(33)	-	(2,260)
Gain on equity investments designated as FVTPL	1,086	-	9,670	10,756
Share of loss in associates	(640)	-	-	(640)
Gain on disposal of plant & equipment	5	-	-	5
Other income / (expenses)	234	-	(3,072)	(2,838)
Net profit / (loss) before financing and income tax	18,000	(4,052)	9,109	23,057
Finance income	1,494	85	-	1,579
Finance costs	(60)	-	-	(60)
Net profit / (loss) before tax	19,434	(3,967)	9,109	24,576
Income tax expense	(6,221)	-	-	(6,221)

	Silvercorp	OreCorp	Proforma Adjustment s	Merged Group
Quarter ended 30 June 2023	US\$000s	US\$000s	US\$000s	US\$000s
Net profit / (loss) for the year	13,213	(3,967)	9,109	18,355
Non-controlling interest	(3,996)	211	-	(3,785)
Net profit / (loss) for the year attributable to members	9,217	(3,756)	9,109	14,570

(i) *Proforma adjustments – Merged Group Unaudited Proforma Historical Income Statements*

- Exploration costs of US\$7.0 million for the year ended 31 March 2023 and US\$2.5 million for the quarter ended 30 June 2023 that were expensed as incurred under the OreCorp accounting policy have been capitalised to the Mineral rights & properties to align with Silvercorp's accounting policy.
- Estimated transaction costs of US\$3.0 million to be incurred by OreCorp with respect to the Scheme and the Offer.
- Estimated gain of US\$9.1 million before tax for the fair value of the Silvercorp 15.74% ownership in OreCorp since initial placement of shares.

(ii) *Items not reflected in the Merged Group Unaudited Proforma Historical Income Statements*

- Trading of Silvercorp and OreCorp after 30 June 2023.

(f) **Merged Group Unaudited Proforma Historical Statement of Financial Position as at 30 June 2023**

	Silvercorp	OreCorp	Transaction costs	Acquisition of OreCorp	Silvercorp dividend declared	Provisio n for tax on change of control	Merged Group
	US\$000s	US\$000 s	US\$000s	US\$000s	US\$000s	US\$000s	US\$000s
Current assets							
Cash and cash equivalents	143,278	8,987	(7,129)	(51,612)	(2,210)	-	91,314
Short term investments	57,322	-	-	-	-	-	57,322
Trade and other receivables	1,606	240	-	-	-	-	1,846
Inventories	6,819	-	-	-	-	-	6,819
Other current assets	5,479	131	-	-	-	-	5,610
Total current assets	214,504	9,358	(7,129)	(51,612)	(2,210)	-	162,911
Non-current assets							
Plant & equipment	76,904	446	-	-	-	-	77,350
Investment properties	470	-	-	-	-	-	470
Long term & prepaid deposits	886	-	-	-	-	-	886
Reclamation deposits	6,594	-	-	-	-	-	6,594
Mineral rights & properties	293,766	12,592	4,057	147,360	-	22,665	480,440
Investment in associates	51,225	-	-	-	-	-	51,225
Other investments	20,470	-	-	-	-	-	20,470
Deferred tax assets	200	-	-	-	-	-	200

	Silvercorp	OreCorp	Transaction costs	Acquisition of OreCorp	Silvercorp dividend declared	Provision for tax on change of control	Merged Group
	US\$000s	US\$000s	US\$000s	US\$000s	US\$000s	US\$000s	US\$000s
Total non-current assets	450,515	13,038	4,057	147,360	-	22,665	637,635
Total assets	665,019	22,396	(3,072)	95,748	(2,210)	22,665	800,546
Current liabilities							
Trade and other payables	38,836	1,893	-	-	-	-	40,729
Provisions	-	318	-	-	-	-	318
Lease liabilities	277	29	-	-	-	-	306
Deposits received	5,486	-	-	-	-	-	5,486
Tax payable	374	-	-	-	-	22,665	23,039
Total current liabilities	44,973	2,240	-	-	-	22,665	69,877
Non-current liabilities							
Provisions	-	39	-	-	-	-	39
Lease liabilities	254	-	-	-	-	-	254
Environmental rehabilitation provision	6,898	-	-	-	-	-	6,898
Deferred income tax liabilities	46,417	-	-	-	-	-	46,417
Total non-current liabilities	53,569	39	-	-	-	-	53,608
Total liabilities	98,542	2,279	-	-	-	22,665	123,486
Net assets	566,477	20,117	(3,072)	95,748	(2,210)	-	677,060
Equity							
Issued capital	256,675	91,634	-	14,998	-	-	363,307
Reserves	(10,636)	1,650	-	(1,650)	-	-	(10,636)
Retained earnings	236,888	(72,730)	(3,072)	82,400	(2,210)	-	241,276
Equity attributable to equity holders of the Company	482,927	20,554	(3,072)	95,748	(2,210)	-	593,947
Non-controlling interest	83,550	(437)	-	-	-	-	83,113
Total equity	566,477	20,117	(3,072)	95,748	(2,210)	-	677,060

(i) *Proforma adjustments – Merged Group Unaudited Proforma Historical Statement of Financial Position*

- Estimated transaction costs of US\$7.1 million to be incurred by the Merged Group with respect to the Scheme and the Offer. US\$4.1 million relating to Silvercorp is capitalised to Mineral Rights & Properties and US\$3.0 million relating to OreCorp is included in the Merged Group Unaudited Pro forma Income Statement.
- Acquisition of OreCorp, at an assumed equity purchase price of A\$0.582 per OreCorp Share. Total OreCorp Shares on issue are currently 469,408,892 plus 4,012,106 unlisted performance rights that will automatically vest upon a change of control. Excluding 73,889,007 Shares owned by Silvercorp, which will not be subject to acquisition through the Offer, there are 399,531,991 Shares that could be acquired, giving an implied value of US\$158.2 million recognised as US\$140.8 million increase to Mineral Rights & Properties. The equity purchase price will be funded US\$51.6 million in cash, with the remaining settled via the issuance of New Silvercorp Shares.

- Included within the acquisition of OreCorp is an estimated gain of US\$9.7 million after tax for the fair value of the Silvercorp 15.74% ownership in OreCorp since initial placement of shares recognised in Mineral Rights & Properties.
- Included within the acquisition of OreCorp is the acquisition of 3,725,257 OreCorp Options outstanding, for compensation totalling US\$57,000.
- Included within the acquisition of OreCorp is the exercise of US\$0.6 million performance rights, the acquisition of US\$0.7 million options and US\$0.4 million write off in the reserve totalling US\$1.7 million.
- On 9 November 2023, Silvercorp announced a semi-annual dividend of US\$0.0125 per share (US\$2.2 million) to be paid to shareholders on or before December 15, 2023.
- Upon completion of the transaction, the transaction may incur a capital gains tax payable under Tanzanian legislation. Although the application of this tax is uncertain, an estimate of US\$22.7 million has been made²¹.

Capital gains tax is payable in Tanzania, in accordance with section 56 of the Income Tax Act 2004, where the ultimate share ownership of a Tanzanian entity changes by more than 50%. The tax is levied on the notional capital gain arising from the difference between the risk adjusted expected cost base and the market value of the consideration at the 30% Tanzanian corporate income tax rate.

The application of capital gains tax will only be known upon completion of the transaction. An estimate of the tax payable has been made based on the assumed equity purchase price of A\$0.582 per OreCorp Share as noted above, and the risk-adjusted, expected cost base for the calculation of the capital gain, based on expenditures incurred on the Nyanzaga Project, to date, in Tanzania.

Silvercorp is offering to acquire all of the outstanding OreCorp Shares, which will extend to 100% ownership of OreCorp's Tanzanian subsidiaries, OreCorp Tanzania and NMCL and an 84% effective ownership of SMCL. The remaining 16% of SMCL is owned by the Government of Tanzania. This meets the change of control test, where ultimate share ownership of these entities will change by more than 50%.

(ii) *Items not reflected in the Merged Group Unaudited Proforma Historical Statement of Financial Position*

- Trading of Silvercorp and OreCorp after 30 June 2023.
- The financial impact of any shares bought back under the Silvercorp share buyback scheme announced on 15 September 2023.
- Proforma adjustments do not include potentially unrecognised deferred tax assets.

²¹ The capital gain tax was previously estimated, as disclosed in the Scheme Booklet, to be approximately US\$14.1 million, when calculated based on the assumed equity purchase price (before the increase of the Scheme Consideration) of A\$0.51 per OreCorp Share. This estimation has been adjusted in this section 8.7(f) based on the updated assumed equity purchase price of A\$0.582, resulting in an increased total transaction consideration of approximately US\$30 million.

(g) **Merged Group Unaudited Proforma Historical Statements of Cashflows**

	Silvercorp	OreCorp	Proforma Adjustment s	Merged Group
Year ended 31 March 2023	US\$000s	US\$000s	US\$000s	US\$000s
Cashflows from operating activities				
Receipts from customers	209,065	-	-	209,065
Payments to suppliers and employees	(113,842)	(12,894)	7,488	(119,248)
Interest and other costs of finance paid	(43)	(112)	-	(155)
Income taxes paid	(9,537)	-	-	(9,537)
Interest received	-	249	-	249
Net cash inflow / (outflow) from operating activities	85,643	(12,757)	7,488	80,374
Cashflows from investing activities				
Purchase of property, plant & equipment	(13,293)	(178)	-	(13,471)
Proceeds from disposal of property, plant & equipment	215	-	-	215
Mineral rights & properties expenditures	(41,664)	(3,372)	(7,488)	(52,524)
Acquisition of investments	(3,702)	-	-	(3,702)
Proceeds from disposal of investments	1,035	-	-	1,035
Investment in associates	(2,055)	-	-	(2,055)
Net proceeds from reclamation deposits	835	-	-	835
Proceeds from leasing	172	-	-	172
Purchase of short term investments	(182,299)	-	-	(182,299)
Redemption of short term investments	214,232	-	-	214,232
Net cash outflow from investing activities	(26,524)	(3,550)	(7,488)	(37,562)
Cashflows from financing activities				
Payment of principal portion of lease liabilities	(597)	(43)	-	(640)
Payments for share issue transaction costs	-	(2)	-	(2)
Distributions to non-controlling interests	(10,880)	-	-	(10,880)
Repurchase of common shares	(2,078)	-	-	(2,078)
Dividends paid	(4,425)	-	-	(4,425)
Net cash outflow from financing activities	(17,980)	(45)	-	(18,025)
Net increase / (decrease) in cash and cash equivalents	41,139	(16,352)	-	24,787
Foreign exchange movement on cash and cash equivalents	(8,749)	(702)	-	(9,451)
Cash and cash equivalents at beginning of financial year	113,302	28,891	-	142,193
Cash and cash equivalents at end of financial year	145,692	11,837	-	157,529

	Silvercorp	OreCorp	Proforma Adjustment s	Merged Group
Quarter ended 30 June 2023	US\$000s	US\$000s	US\$000s	US\$000s
Cashflows from operating activities				
Receipts from customers	60,118	-	-	60,118
Payments to suppliers and employees	(26,697)	(2,497)	(1,644)	(30,838)
Interest and other costs of finance paid	(7)	(246)	-	(253)
Income taxes paid	(4,533)	-	-	(4,533)
Interest received	-	88	-	88
Net cash inflow / (outflow) from operating activities	28,881	(2,655)	(1,644)	24,583
Cashflows from investing activities				
Purchase of property, plant & equipment	(3,214)	(97)	-	(3,311)
Proceeds from disposal of property, plant & equipment	124	-	-	124
Mineral rights & properties expenditures	(11,885)	-	(1,428)	(13,313)
Acquisition of investments	(3,594)	-	-	(3,594)
Proceeds from disposal of investments	70	-	-	70
Net costs from reclamation deposits	(15)	-	-	(15)
Purchase of short term investments	(8,552)	-	-	(8,552)
Redemption of short term investments	5,950	-	-	5,950
Acquisition of OreCorp	-	-	(55,669)	(55,669)
Net cash outflow from investing activities	(21,116)	(97)	(57,097)	(78,310)
Cashflows from financing activities				
Payment of principal portion of lease liabilities	(64)	(27)	-	(91)
Distributions to non-controlling interests	(7,248)	-	-	(7,248)
Dividends paid	(2,214)	-	(2,210)	(4,424)
Net cash outflow from financing activities	(9,526)	(27)	(2,210)	(11,763)
Net decrease in cash and cash equivalents	(1,761)	(2,779)	(60,951)	(65,490)
Foreign exchange movement on cash and cash equivalents	(653)	(72)	-	(725)
Cash and cash equivalents at beginning of financial year	145,692	11,837	-	157,529
Cash and cash equivalents at end of financial year	143,278	8,986	(60,951)	91,314

(i) *Proforma adjustments – Merged Group Unaudited Proforma Historical Statement of Cashflows*

- Payments to suppliers & employees that were attributable to exploration & evaluation activities, and expensed as incurred under the OreCorp accounting policy of US\$7.5 million for the year ended 31 March 2023 and US\$1.4 million for the quarter ended 30 June 2023, have been transferred to Mineral rights & properties expenditures to align with Silvercorp's accounting policy.
- US\$51.6 million has been incurred in investing activities for the payment of the cash component of the estimated consideration for OreCorp.

- On 9 November 2023, Silvercorp announced a semi-annual dividend of US\$0.0125 per share (US\$2.2 million) to be paid to shareholders on or before December 15, 2023.
 - Estimated transaction costs to be incurred by the Merged Group with respect to the Scheme and Offer have been included in Payments to suppliers & employees, to the extent they are incurred by OreCorp (US\$3.0 million) and investing activities, to the extent they are incurred by Silvercorp (US\$4.1 million).
- (ii) *Items not reflected in the Merged Group Unaudited Proforma Historical Statement of Financial Position*
- Operating cashflows of Silvercorp and OreCorp after 30 June 2023.
 - The financial impact of any shares bought back under the Silvercorp share buyback scheme announced on 15 September 2023.

9 Funding

9.1 Consideration under the Offer

The consideration for the acquisition of OreCorp Shares to which the Offer relates will be satisfied partly in cash (in Australian dollars) and partly by the issue of Silvercorp Shares.

9.2 Share Consideration

Based on the number of OreCorp Shares on issue as at the date of this Bidder's Statement, the maximum number of OreCorp Shares that could be acquired by Silvercorp under this Offer is 399,531,991, being all of the OreCorp Shareholders that are not owned by Silvercorp and assuming all OreCorp Performance Rights have been exercised before the end of the Offer Period and all OreCorp Options are acquired by Silvercorp and remain unexercised.

Accordingly, the maximum number of Silvercorp Shares which may be required to settle acceptances under the Offer is approximately 38,634,744 (without contemplating rounding).

Silvercorp has the capacity to issue the maximum number of Silvercorp Shares which it may be required to issue under the Offer.

9.3 Cash Consideration

Based on the number of OreCorp Shares on issue as at the date of this Bidder's Statement, the maximum amount of cash that would be payable by Silvercorp under the Offer if acceptances were received for all OreCorp Shares that are not owned by Silvercorp is approximately A\$75,911,079 (assuming all OreCorp Performance Rights have been exercised before the end of the Offer Period and all OreCorp Options are acquired by Silvercorp and remain unexercised).

The Cash Consideration will be funded from existing cash reserves of Silvercorp. As at 30 September 2023, Silvercorp and its Related Bodies Corporate had cash and cash equivalents of US\$119,098,000, exceeding the maximum cash amount which may be required to settle acceptances under the Offer.

10 Investment risks

10.1 Introduction

In deciding whether or not to accept the Offer, you should read this entire Bidder's Statement carefully. You should also carefully consider the risk factors outlined in this section and your personal circumstances. This section is general only and does not take into account your individual objectives, financial situation or needs.

Provided the Offer becomes or is declared unconditional, OreCorp Shareholders who accept the Offer will become shareholders in Silvercorp and will be exposed to the risks of the Merged Group (which include the existing risks of investments in OreCorp and Silvercorp). There are also a number of additional risks relating to the Offer as well as risks of a more general nature relating to the economy and with investing in the share market generally.

The future performance of the Merged Group, the future investment performance of Silvercorp's Shares, and the amount and timing of any dividends that Silvercorp pays will be influenced by a wide range of factors. Some of these factors can be mitigated by the use of safeguards and appropriate commercial action. However, many of these factors are beyond the control of Silvercorp and its directors. There can be no guarantee that Silvercorp will achieve its stated objectives or intentions, that forecasts will be met or that forward looking statements will be realised.

This section outlines some of the risk factors:

- (a) associated with the businesses Silvercorp and OreCorp, which will therefore be risks to which the Merged Group will be exposed (see section 10.2);
- (b) that arise from the Offer and the creation of the Merged Group (see section 10.3); and
- (c) that relate to the general economy and securities market (see section 10.4).

The risks identified in this Bidder's Statement are not exhaustive. Silvercorp gives no assurance or guarantee that the risks set out in this Bidder's Statement will not change, or that additional risks which are not disclosed in this Bidder's Statement will not arise. There may be other material risks which are not disclosed in this Bidder's Statement because they have not been announced by OreCorp to the ASX, are not known to Silvercorp or were not considered to be material at the date of this Bidder's Statement.

Such additional risks and uncertainties may also have a material adverse effect on the performance of Silvercorp or the Merged Group, the ability of Silvercorp or the Merged Group to pay dividends, and the value of Silvercorp's Shares. The information set out in this section does not purport to be, nor should it be construed as representing, an exhaustive list of the risks affecting Silvercorp or the Merged Group.

This section does not take into account the investment objectives, financial situation, tax position or particular needs of any investor. OreCorp Shareholders should read this Bidder's Statement in its entirety and consult their own professional advisors before deciding whether to accept the Offer.

10.2 Specific risk factors relating to the Merged Group

- (a) **The prices of silver, lead, zinc and gold fluctuate widely and a substantial or extended decline in prices could materially and adversely affect the Merged Group's results of operations or financial condition**

The Merged Group's revenues, if any, are expected to be in large part derived from the mining and sale of silver, lead, zinc and gold contained in metal concentrates. The prices of those commodities have fluctuated widely, particularly in recent years and are affected by numerous factors beyond Silvercorp's control including

international and regional economic and political conditions; expectations of inflation; currency exchange fluctuations; interest rates; global or regional supply and demand for jewellery and industrial products containing silver and other metals; sale of silver and other metals by central banks and other holders, forward selling activities, speculators and producers of silver and other metals; availability and costs of metal substitutes; and increased production due to new mine developments and improved mining and production methods. The effects of these factors on the price of base and precious metals and therefore the viability of the Merged Group's exploration projects and mining operations, cannot be accurately predicted and thus the price of base and precious metals may have a significant influence on the market price of Silvercorp's Shares and the value of its projects.

If silver, gold and other metal prices were to decline significantly for an extended period of time, the Merged Group may be unable to continue operations, develop its projects, or fulfil obligations under agreements with the Merged Group's joint venture partners or under its permits or licences.

(b) **Actual capital costs, operating costs, production and economic returns may differ significantly from those anticipated and future development activities may not result in profitable mining operations**

There are no assurances if and when a particular mineral property of the Merged Group can enter into production. The amount of future production is based on the estimates prepared by or for Silvercorp. The capital and operating costs to take the Merged Group's projects into production or maintain or increase production levels may be significantly higher than anticipated. Capital and operating costs of production and economic returns are based on estimates prepared by or for Silvercorp and may differ significantly from their actual values. There can be no assurance that the Merged Group's actual capital and operating costs will not be higher than currently anticipated. In addition, the construction and development of mines and infrastructure are complex. Resources invested in construction and development may yield outcomes that may differ significantly from those anticipated by Silvercorp.

(c) **The permits and licences required for the Merged Group's mining and exploration operations may not be granted or renewed**

All of Silvercorp's CIM Mineral Resources and CIM Mineral Reserves in China are owned by their respective joint venture entities. Mineral exploration and mining activities in China may only be conducted by entities that have obtained or renewed exploration or mining permits and licences and other certificates in accordance with the relevant mining laws and regulations. Under Chinese laws and regulations, if there are residual reserves in a property when the mining permit in respect of such property expires, the holder of the expiring mining permit will be entitled to apply for an extension for an additional term. Silvercorp believes that there will be no material substantive obstacle in renewing such permits. Nevertheless, there can be no assurance as to whether the current relevant Chinese laws and regulations, as well as the current mining industry policy, will remain unchanged at the time of the extension application of such permits nor can there be any assurance that the competent authorities will not use their discretion to deny or delay the renewal or the extension of relevant mining permits due to factors outside Silvercorp's control. Therefore, there can be no assurance that Silvercorp will successfully renew its mining permits on favourable terms, or at all, once such permits expire.

Any failure to obtain or any delay in obtaining or retaining any required governmental approvals, permits or licences could subject Silvercorp to a variety of administrative penalties or other government actions and adversely impact the Merged Group's business operations. The relevant state and provincial authorities in China do not allow exploration permit renewal applications to be submitted earlier than 30 days before the permit expiration date and a delay of 2 to 3 months for permit application processing times is not uncommon. The relevant state and provincial authorities in

China do not issue formal documentation to guarantee permit renewal while processing renewal applications. If any administrative penalties and other government actions are imposed on or taken against Silvercorp due to Silvercorp's failure to obtain, or delay in obtaining or retaining, any required governmental approvals, permits or licences, the Merged Group's business, financial condition and results of operations could be materially and adversely affected.

The success of the Merged Group will also depend (among other things) on its ability to maintain title to the Nyanzaga Project and secure the various governmental approvals required to develop the Nyanzaga Project. Interests in all permits in Tanzania are governed by state legislation and are evidenced by the granting of licences. Each licence is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. As such, the Merged Group could be exposed to additional costs, have its ability to explore or mine the permits reduced, or lose title to or its interest in the permits if licence conditions are not met or if insufficient funds are available to meet expenditure commitments. There is also a risk that permits will not be renewed when required, or that future mineral licence applications may not be approved.

No guarantee can be given that the necessary exploration and mining permits and licences will be issued to the Merged Group or, if they are issued, that they will be renewed, or if renewed under reasonable operational and/or financial terms, or in a timely manner, or that the Merged Group will be in a position to comply with all conditions that are imposed.

(d) **The title to some of the Merged Group's mineral projects may be uncertain or defective, which put the Merged Group's investment in such properties at risk**

The validity of mining or exploration titles or claims or rights, which constitute most of the Merged Group's property holdings, can be uncertain and may be contested. The Merged Group's properties may be subject to prior unregistered liens, agreements or transfers, indigenous land claims, or undetected title defects.

In some cases, the Merged Group may not own or hold rights to the mineral concessions it mines. Silvercorp has not conducted surveys of all the claims in which the Merged Group will hold direct or indirect interests and therefore, the precise area and location of such claims may be in doubt. No assurance can be given that applicable governments will not revoke or significantly alter the conditions of the applicable exploration and mining titles or claims, or that such exploration and mining titles or claims will not be challenged or impugned by third parties.

Silvercorp may be unable to operate the Merged Group's properties as expected, or to enforce Silvercorp's rights to the Merged Group's properties. Any defects in title to the Merged Group's properties, or the revocation of Silvercorp's rights to mine, could have a material adverse effect on the Merged Group's operations and financial condition.

The Merged Group operates in countries with developing mining laws and changes in such laws could materially impact Silvercorp's rights or interests to the Merged Group's properties. For example, relevant to OreCorp's Nyanzaga Project, amendments to the Tanzanian Mining Act in 2017 saw an increased power and role for the government in investment contracts, including the Tanzanian Government having the authority to dissolve or renegotiate existing contracts. Provisions also allowed the Tanzanian Government to own at least a 16% free carried interest stake in mining companies, with the option to acquire up to 50%. In addition, the Tanzanian Government is able to reject international arbitration for natural resource disputes.

The Merged Group is also subject to expropriation risk, including the risk of expropriation or extinguishment of property rights based on a perceived lack of development or advancement. Expropriation, extinguishment of rights and any other

such similar governmental actions would likely have a material adverse effect on the Merged Group's operations and profitability.

In some of the jurisdictions in which the Merged Group will operate, legal rights applicable to mining concessions are different and separate from legal rights applicable to surface lands. Accordingly, title holders of mining concessions in many jurisdictions must agree with surface landowners on compensation in respect of mining activities conducted on such land. The Merged Group does not hold title to all of the surface lands at many of the Merged Group's operations and rely on contracts or other similar rights to conduct surface activities.

(e) **Mineral Reserve and Mineral Resource estimates may not reflect the amount of minerals that may ultimately be extracted**

There is a degree of uncertainty attributable to the estimation of Mineral Resources, Mineral Reserves, mineralisation and corresponding grades being mined or dedicated to future production. Until Mineral Resources, Mineral Reserves or mineralisation are actually mined and processed, the quantity of metals and grades must be considered as estimates only. The figures for Mineral Reserves and Mineral Resources contained in this Bidder's Statement are estimates only based on a number of assumptions, any adverse changes to which could require the Merged Group to lower its Mineral Resource and Mineral Reserve estimates and no assurance can be given that the anticipated tonnages and grades will be achieved, that the indicated level of recovery will be realised or that Mineral Reserves could be mined or processed profitably. Silvercorp's estimates of economically recoverable reserves are primarily based upon interpretations of geological models, which make various assumptions, such as assumptions with respect to, prices, costs, regulations and environmental and geological factors. These assumptions have a significant effect on the amounts recognised in Silvercorp's technical reports and financial statements and any material difference between these assumptions and actual events may affect the economic viability of the Merged Group's properties or any project undertaken by the Merged Group. There are numerous uncertainties inherent in estimating Mineral Reserves and Mineral Resources, including many factors beyond Silvercorp's control. Such estimation is a subjective process and the accuracy of any reserve or resource estimate is a function of the quantity and quality of available data and of the assumptions made and judgments used in engineering and geological interpretation. Short-term operating factors relating to the Mineral Reserves, such as the need for orderly development of the ore bodies or the processing of new or different ore grades, may cause the mining operation to be unprofitable in any particular accounting period. Valid estimates made at a given time may significantly change when new information becomes available. Any material change in quantity of Mineral Resources, Mineral Reserves, mineralisation, or grade may affect the economic viability of the Merged Group's projects. In addition, there can be no assurance that precious or other metal recoveries in small-scale laboratory tests will be duplicated in larger scale tests or during production, or that the existing known and experienced recoveries will continue.

(f) **Mineral Reserve and Mineral Resource estimates may change adversely and such changes may negatively impact the Merged Group's results of operations or financial conditions**

Unless otherwise indicated, Mineral Resource and Mineral Reserve estimates contained in this Bidder's Statement and in Silvercorp's other filings with securities regulatory authorities, press releases and other public statements that may be made from time to time are based upon estimates made by Silvercorp's personnel and independent geologists/mining engineers. These estimates are imprecise and depend upon geologic interpretation and statistical inferences drawn from drilling and sampling analysis, which may prove to be unreliable. The Mineral Resource and Mineral Reserve estimates contained in this Bidder's Statement have been determined based on assumed future prices, cut-off grades, operating costs and other estimates that may prove to be inaccurate. There can be no assurance that

these estimates will be accurate, that Mineral Reserve, Mineral Resource or other mineralisation figures will be accurate, or that the mineralisation could be mined or processed profitably. The interpretation of drill results, the geology, grade and continuity of the Merged Group's mineral deposits contains inherent uncertainty. Any material reductions in estimates of mineralisation, or of the Merged Group's ability to extract this mineralisation, could have a material adverse effect on its results of operations or financial condition.

The market price of silver, gold and other metals is subject to fluctuations, which can affect the economic viability of developing the Merged Group's Mineral Reserves for a specific project or lead to a reduction in reserves. There is no guarantee that Mineral Resource estimates will be reclassified as Proven Reserve or Probable Reserves (as those terms are defined in the CIM Standards) or that the mineralisation can be mined or processed profitably. Inferred Mineral Resources are highly uncertain in terms of their existence and economic and legal feasibility. Additionally, Mineral Resource estimates may be revised based on actual production experience. The evaluation of reserves and resources is influenced by economic and technological factors that may change over time. If the Merged Group's Mineral Reserve or Mineral Resource figures are decreased in the future, it could have a negative impact on the Merged Group's cash flows, earnings, operational results and financial condition.

(g) Mineral exploration activities have a high risk of failure and may never result in finding ore bodies sufficient to develop a producing mine

The long-term operation of the Merged Group's business and its profitability is dependent, in part, on the cost and success of its exploration and development programs. Mineral exploration and development involve a high degree of risk and few properties that are explored are ultimately developed into producing mines. There can be no assurance that the Merged Group's mineral exploration and development programs will result in any discoveries of bodies of commercial mineralisation. There can also be no assurance that even if commercial quantities of mineralisation are discovered that a mineral property will be brought into commercial production. Development of the Merged Group's mineral properties will follow only upon obtaining satisfactory exploration results. Discovery of mineral deposits is dependent upon a number of factors, including the technical skill of the exploration personnel involved. The commercial viability of a mineral deposit once discovered is also dependent upon a number of factors, some of which are the particular attributes of the deposit (such as size, grade and proximity to infrastructure), metals prices and government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. Most of the above factors are beyond the control of Silvercorp. As a result, there can be no assurance that the Merged Group's exploration and development programs will yield reserves to replace or expand current resources. Unsuccessful exploration or development programs could have a material adverse effect on the Merged Group's operations and profitability.

(h) Silvercorp may fail to successfully integrate future acquisitions into existing operations

Silvercorp may make select future acquisitions. If Silvercorp does make acquisitions, any positive effect on Silvercorp's results will depend on a variety of factors, including: integrating the operations of an acquired business or property in a timely and efficient manner; maintaining Silvercorp's financial and strategic focus while integrating the acquired business or property; implementing uniform standards, controls, procedures and policies at the acquired business, as appropriate; and to the extent that Silvercorp makes an acquisition outside of markets in which it has previously operated, conducting and managing operations in a new operating environment.

Acquiring additional businesses or properties could place pressure on the Merged Group's cash reserves if such acquisitions involve cash consideration or if such acquisitions involve share consideration Silvercorp Shareholders (including OreCorp

Shareholders who have received Silvercorp Shares under this Offer) may experience dilution.

The integration of Silvercorp's existing operations with any acquired business may require significant expenditures of time, attention and funds. Achievement of the benefits expected from consolidation may require Silvercorp to incur significant costs in connection with, among other things, implementing financial and planning systems. Silvercorp may not be able to integrate the operations of a recently acquired business or restructure Silvercorp's previously existing business operations without encountering difficulties and delays. In addition, this integration may require significant attention from Silvercorp's management team, which may detract attention from Silvercorp's day-to-day operations.

Over the short-term, difficulties associated with integration could have a material adverse effect on the Merged Group's business, operating results, financial condition and the price of Silvercorp Shares. In addition, the acquisition of mineral properties may subject Silvercorp to unforeseen liabilities, including environmental liabilities, which could have a material adverse effect on the Merged Group. There can be no assurance that any future acquisitions will be successfully integrated into the Merged Group's existing operations.

(i) **The Merged Group's non-controlling interest shareholders could materially affect the Merged Group's results of operations and financial conditions**

Silvercorp's interests in various projects may, in certain circumstances, become subject to the risks normally associated with the conduct of non-controlling interest shareholders. The existence or occurrence of one or more of the following events could have a material adverse impact on Silvercorp's profitability or the viability of its interests held with non-controlling interest shareholders, which could have a material adverse impact on Silvercorp's business prospects, results of operations and financial conditions: (i) disagreements with non-controlling interest shareholders on how to conduct exploration; (ii) inability of non-controlling interest shareholders to meet their obligations to the applicable entity or third parties; and (iii) disputes or litigation between shareholders regarding budgets, development activities, reporting requirements and other matters.

The Government of Tanzania (through the Treasury Registrar) currently holds a 16% non-dilutable free carried interest (the **Free Carried Interest Shares**) in the share capital of Sotta Mining Corporation Limited (**SMCL**). In addition, the Government of Tanzania has a right to acquire, in total, up to 50% of the share capital of SMCL, determined by the total value of the tax expenditures enjoyed by the SMCL. However, relevant legislation also provides that the Government of Tanzania agrees and undertakes that any increase in ownership or economic participation rights by the Government of Tanzania in addition to the 16 percent Free Carried Interest Shares will be by agreement between the parties, and that the Government of Tanzania will not unilaterally seek to increase such ownership or economic participation rights.

(j) **Silvercorp may not successfully acquire additional commercially mineable mineral rights**

Most exploration projects do not result in the discovery of commercially mineable ore deposits and no assurance can be given that any particular level of recovery of Mineral Reserves will be realised or that any identified mineral deposit will ever qualify as a commercially mineable (or viable) ore body which can be legally and economically exploited.

Silvercorp's future growth and productivity will depend, in part, on its ability to identify and acquire additional mineral rights and on the costs and results of continued exploration and development programs. Mineral exploration is highly speculative in nature and is frequently non-productive. Substantial expenditures are required to: establish Mineral Reserves through drilling and metallurgical and other testing

techniques; determine metal content and metallurgical recovery processes to extract metal from the ore; and construct, renovate or expand mining and processing facilities.

In addition, if Silvercorp discovers a mineral deposit, it will likely take at least several years from the initial phases of exploration until production is possible. During this time, the economic feasibility of production may change.

Silvercorp's success at completing any acquisitions will depend on a number of factors, including: identifying acquisitions that fit Silvercorp's business strategy; negotiating acceptable terms with the seller of the business or property to be acquired; and obtaining approval from regulatory authorities in the jurisdictions of the business or property to be acquired. As a result of these uncertainties, there can be no assurance that Silvercorp will successfully acquire additional mineral rights.

(k) If exploration programs are successful, additional financing may be required

Silvercorp has substantial financial resources, however, they are not inexhaustible. If more of the Merged Group's exploration programs are successful in establishing ore of commercial tonnage and grade, additional funds will be required for the development of the ore body and to place it in commercial production. Therefore, the Merged Group's ability to continue its exploration and development activities, if any, will depend in part on Silvercorp's ability to obtain suitable financing.

Silvercorp intends to fund its plan of operations from working capital, proceeds of production, external financing, strategic alliances, sale of property interests and other financing alternatives. The sources of external financing that Silvercorp may use for these purposes include project or bank financing, or public or private offerings of equity or debt. One source of future funds presently available to Silvercorp is through the sale of equity capital. There is no assurance this source of financing will continue to be available as required or on suitable terms, or at all. If it is available, future equity financings may result in substantial dilution to Silvercorp Shareholders (including OreCorp Shareholders who receive Silvercorp Shares under this Offer). Another alternative for the financing of further exploration would be the offering by Silvercorp of an interest in the properties to be earned by another party or parties carrying out further exploration or development thereof. There can be no assurance Silvercorp will be able to conclude any such agreements, on favourable terms or at all. The failure to obtain financing could have a material adverse effect on Silvercorp's growth strategy and results of operations and financial condition.

(l) The Merged Group operates in a highly competitive industry

The mining industry in general is intensely competitive and there is no assurance that a ready market will exist for the sale of ore, or concentrate, by the Merged Group. Marketability of natural resources which may be discovered by the Merged Group will be affected by numerous factors beyond the control of Silvercorp, such as market fluctuations, the proximity and capacity of natural resource markets and processing equipment, government regulations including regulations relating to prices, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of such factors cannot be predicted but they may result in the Merged Group not receiving an adequate return on its capital.

The Merged Group may be at a competitive disadvantage in acquiring additional mining properties because it must compete with other individuals and companies, many of which have greater financial resources, operational experience and technical capabilities than the Merged Group. The Merged Group may also encounter increasing competition from other mining companies in its efforts to hire experienced mining professionals. Competition for exploration resources at all levels is currently very intense, particularly affecting the availability of manpower. Increased competition could adversely affect the Merged Group's ability to attract necessary

capital funding or acquire suitable producing properties or prospects for mineral exploration in the future.

(m) **The Merged Group will rely on third parties, including contract miners, to operate certain of its mines**

Silvercorp contracts with third parties to operate certain of Silvercorp's mines. Under those arrangements, Silvercorp retains certain contractual rights of oversight over these mines, which are operated under Silvercorp's permits or leases, but Silvercorp does not control and Silvercorp's employees do not participate in, the day-to-day operations of these mines. Operational difficulties at these mines, increased competition for contract miners and other factors beyond Silvercorp's control could affect the availability, cost and quality of the Merged Group's operations. If these third parties fail to meet their obligations under those contracts or are otherwise ineffective, it could increase the Merged Group's costs and, therefore, lower the Merged Group's earnings and adversely affect the Merged Group's results of operations.

(n) **Silvercorp's activities in China are subject to additional political, economic and other uncertainties not necessarily present for activities taking place in other jurisdictions**

All Silvercorp's material mining operations are located in China. These operations are subject to the risks normally associated with conducting business in China, which has different regulatory and legal standards than North America or Australia. Some of these risks are more prevalent in countries which are less developed or have emerging economies, including uncertain political and economic environments, as well as risks of civil disturbances or other risks which may limit or disrupt a project, restrict the movement of funds or result in the deprivation of contractual rights or the taking of property by nationalisation or expropriation without fair compensation, risk of adverse changes in laws or policies, increases in foreign taxation or royalty obligations, licence fees, permit fees, delays in obtaining or the inability to obtain necessary governmental permits, limitations on ownership and repatriation of earnings and foreign exchange controls and currency devaluations.

In addition, Silvercorp may face import and export regulations, including export restrictions, disadvantages of competing against companies from countries that are not subject to similar laws, restrictions on the ability to pay dividends offshore and risk of loss due to disease and other potential endemic health issues. Although Silvercorp is not currently experiencing any significant or extraordinary problems in China arising from such risks, there can be no assurance that such problems will not arise in the future. Silvercorp currently does not carry political risk insurance coverage.

Silvercorp's interests in its mineral properties are held through joint venture companies established as Sino-Foreign Cooperative Joint Venture Enterprises under Chinese law. Silvercorp's wholly-owned subsidiaries hold direct ownership interests in those joint venture companies in accordance with the terms of the constitution and the relevant cooperation agreements between Silvercorp's relevant subsidiary and its local joint venture partner(s). These are not derivative or economic interests dependent on contractual arrangements with others. Silvercorp's subsidiaries own direct interests in these Chinese companies and these Chinese companies are the registered holders of Silvercorp's assets (including relevant mining licences).

Silvercorp's joint venture partners in China include state sector entities and, like other state-sector entities, their actions and priorities may be dictated by government policies instead of purely commercial considerations. Additionally, companies with a foreign ownership component operating in China may be required to work within a framework which is different from that imposed on domestic Chinese companies. The Chinese government currently allows foreign investment in certain mining projects under central government guidelines. There can be no assurance that these guidelines will not change in the future.

(o) **The regulatory environment in China may materially affect the Merged Group's results of operations and financial results**

Silvercorp's principal operations are located in China and are subject to a range of Chinese laws, regulations, policies, standards and requirements in relation to, among other things, mine exploration, development, production, taxation, labour standards, occupational health and safety, waste treatment and environmental protection and operation management. Any changes to these laws, regulations, policies, standards and requirements or to the interpretation or enforcement thereof may increase the Merged Group's operating costs and thus adversely affect the Merged Group's results of operations.

The laws of China differ significantly from those of Canada or Australia and all such laws are subject to change. Mining is subject to potential risks and liabilities associated with pollution of the environment and disposal of waste products occurring as a result of mineral exploration and production.

Failure to comply with applicable laws and regulations may result in enforcement actions and may also include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws and regulations. China's legislation is undergoing a relatively fast transformation with some old laws superseded by newly enacted laws. New laws and regulations, amendments to existing laws and regulations, administrative interpretation of existing laws and regulations, or more stringent enforcement of existing laws and regulations could create risks or uncertainty for investors in mineral projects or have a material adverse impact on future cash flow, results of operations and the financial condition of the Merged Group. Although Silvercorp seeks to comply with all new Chinese laws, regulations, policies, standards and requirements applicable to the mining industry or all changes in existing laws, regulations, policies, standards and requirements, Silvercorp may not be able to comply with them economically or at all. Furthermore, any such new Chinese laws, regulations, policies, standards and requirements or any such change in existing laws, regulations, policies, standards and requirements may also constrain the Merged Group's future expansion plans and adversely affect its profitability.

In addition, China has further strengthened its national security review of foreign investment. The Measures for National Security Review of Foreign Investment will continue to create an additional layer of uncertainty with respect to foreign investment. Investment plans, timetables, terms and conditions for closing for investment must take into account the timing and contingency of obtaining approval from the national security review process.

(p) **Sovereign risk - Tanzania**

Given the location of OreCorp's Nyanzaga Project, the Merged Group will also be subject to the risks associated with operating in Tanzania. There are risks attached to exploration and mining activities in a developing country like Tanzania which are not necessarily present in developed countries like Australia or Canada. These risks may include economic, social or political instability, hyperinflation, currency non-convertibility or instability and changes of (or the interpretation of) law affecting foreign ownership, government participation, taxation, working conditions, rates of exchange, exchange control, exploration licensing, export duties, repatriation of income or return of capital, environmental protection, labour relations as well as governmental control over natural resources or government regulations that require the employment of local staff or contractors or require other benefits to be provided to local residents.

Tanzania has enacted substantive changes in its mining laws in recent years, and the full impact of these is yet to be demonstrated in practice. Tanzania's legal system is

also less developed than more established countries (including with respect to the degree of experience held by the judiciary) which could give rise to difficulties in obtaining effective legal redress against governmental entities or private parties. There may also be a higher degree of discretion held by various government officials or agencies, a lack of political or administrative guidance on implementing applicable law and regulations (particularly in relation to taxation and property rights) and inconsistencies or conflicts between and within various laws, regulations, decrees, orders and resolutions. Relatedly, there is a risk that local businesses, government officials and the judiciary will not adhere to the legal terms of negotiated agreements and authorisations including those granted in respect of the Nyanzaga Project. Such agreements and authorisations may be open to revision or cancellation and legal redress may be uncertain or delayed, undermining their effectiveness.

There is also a risk that the government and regulatory environment will not remain conducive to foreign investment, which would negatively impact the Merged Group's ability to carry out its activities as currently contemplated. There are also risks associated with the implementation and maintenance of an effective internal control and risk management systems and good corporate governance principles, having regard to the separation of executive management and the Merged Group's Board from the location of the Nyanzaga Project and the resulting need to rely on consultants and professional advisers in those jurisdictions

(q) **The Merged Group is subject to environmental and health and safety laws, regulations and permits that may subject the Merged Group to material costs, liabilities and obligations**

Silvercorp's activities are subject to extensive laws and regulations governing environmental protection and employee health and safety, including environmental laws and regulations in China. These laws address emissions into the air, discharges into water, management of waste, management of hazardous substances, protection of natural resources, antiquities and endangered species and reclamation of lands disturbed by mining operations. Silvercorp's Chinese subsidiaries are required to have been issued environmental permits and safety production permits with various expiration dates. These permits are also subject to annual inspection by government authorities. Failure to pass the annual inspections may result in penalties.

Environmental and health and safety laws in Tanzania are also strict. Every activity from exploration through to development and mining requires compliance with regulations for environmental protection. The Merged Group will require various government approvals and permits in Tanzania from time to time in connection with various aspects of its activities.

No guarantee can be given that the necessary permits will be issued to the Merged Group or, if they are issued, that they will be renewed, or if renewed under reasonable operational and/or financial terms, or in a timely manner, or that the Merged Group will be in a position to comply with all conditions that are imposed. Failure to comply with relevant environmental laws and regulations could materially and adversely affect the Merged Group's business and results of operations.

Nearly all mining projects require government approval and permits relating to environmental, social, land and water usage, community matters and other matters.

There are also laws and regulations prescribing reclamation activities on some mining properties. Environmental legislation in many countries, including China and Tanzania, is evolving and the trend has been toward stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and increasing responsibility for companies and their officers, directors and employees. Compliance with environmental laws and regulations may require significant capital outlays on behalf of Silvercorp and may cause material changes or delays in the Merged Group's intended activities. There can be no assurance that Silvercorp has been or will be at

all times in complete compliance with current and future environmental and health and safety laws and the status of permits will not materially adversely affect the Merged Group's business, results of operations or financial condition. Amendments to current Chinese laws and regulations governing operations and activities of mining companies or more stringent implementation thereof could have a material adverse impact on the Merged Group and cause increases in capital expenditure, production costs or reductions in levels of production at producing properties or require abandonment or delays in the development of new mining properties. It is possible that future changes in these laws or regulations could have a significant adverse impact on some portion of the Merged Group's business, causing Silvercorp to re-evaluate those activities at that time. Silvercorp's compliance with environmental laws and regulations entail uncertain costs.

(r) **The Merged Group is dependent on management and key personnel**

Silvercorp's CEO and Chairman and Silvercorp's operational management team all have extensive experience in the mineral resources industry in China. Most of the non-executive directors also have extensive experience in mining and/or exploration (or as advisors to companies in the field). Silvercorp's success depends to a significant extent upon its ability to retain, attract and train key management personnel, both in Canada and in China.

The Merged Group will depend on the services of several key personnel, including the CEO, CFO and the China operational management team, the loss of any one of whom could have an adverse effect on the Merged Group's operations.

The Merged Group's ability to manage growth effectively will require it to continue to implement and improve management systems and to recruit and train new employees. The Merged Group cannot be assured that it will be successful in attracting and retaining skilled and experienced personnel.

(s) **Currency fluctuations may affect the Merged Group's results of operation and financial condition**

Silvercorp reports its financial statements in U.S. dollars. The functional currency of the head office, Canadian subsidiaries and all intermediate holding companies is the Canadian dollar while the functional currency of all Chinese subsidiaries is Chinese Renminbi. The functional currency of the OreCorp's Tanzanian subsidiaries is the US dollar. The Merged Group will be exposed to foreign exchange risk when Silvercorp undertakes transactions and holds assets and liabilities in currencies other than its functional currencies. The fluctuation of the exchange rate between the reporting currency and its functional currencies may materially and adversely affect the Merged Group's financial position.

(t) **The Merged Group's insurance may not provide adequate coverage in the event of a loss**

The Merged Group's mining activities are subject to the risks normally inherent in the industry, including but not limited, to environmental hazards, flooding, fire, periodic or seasonal hazardous climate and weather conditions, unexpected rock formations, industrial accidents and metallurgical and other processing problems. These risks could result in damage to, or destruction of, mineral properties, production facilities or other properties; personal injury; environmental damage; delays in mining; increased production costs; monetary losses; and possible legal liability. The Merged Group may become subject to liability which it cannot insure or may elect not to insure due to high premium costs or other reasons. Where considered practical to do so, Silvercorp maintains insurance against risks in the operation of its business in amounts which Silvercorp believes to be reasonable. Such insurance, however, contains exclusions and limitations on coverage. Silvercorp cannot provide any assurance that such insurance will continue to be available, be available at economically acceptable premiums or be adequate to cover any resulting liability. In

some cases, coverage is not available or considered too expensive relative to the perceived risk.

(u) **The Merged Group's operations involve significant risks and hazards inherent to the mining industry**

Mining is inherently dangerous and the Merged Group's operations are subject to a number of risks and hazards including: environmental hazards; discharge of pollutants or hazardous chemicals; industrial accidents; failure of processing and mining equipment; labour disputes; supply problems and delays; encountering unusual or unexpected geologic formations or other geological or grade problems; encountering unanticipated ground or water conditions; cave-ins, pit wall failures, flooding, rock bursts and fire; periodic interruptions due to inclement or hazardous weather conditions; equipment breakdown; other unanticipated difficulties or interruptions in development, construction or production; other acts of God or unfavourable operating conditions; and health and safety risks associated with spread of COVID-19 pandemic and any future emergence and spread of similar pathogens.

Such risks could result in damage to, or destruction of, mineral properties or processing facilities, personal injury or death, loss of key employees, environmental damage, delays in mining, monetary losses and possible legal liability. Satisfying such liabilities may be very costly and could have a material adverse effect on the Merged Group's future cash flow, results of operations and financial condition.

(v) **Silvercorp's directors and officers may have conflicts of interest as a result of their relationships with other mining companies that are not affiliated with Silvercorp**

Conflicts of interest may arise as a result of the directors and officers of Silvercorp also holding positions as directors and/or officers of other companies. Some of those persons who are directors and officers of Silvercorp have and will continue to be engaged in the identification and evaluation of assets and business opportunities and companies on their own behalf and on behalf of other companies and situations may arise where the directors and officers may be in direct competition with Silvercorp. Conflicts, if any, will be subject to the procedures and remedies under the Business Corporations Act.

(w) **If Silvercorp is unable to implement and maintain effective internal controls over financial reporting, investors may lose confidence in the accuracy and completeness of Silvercorp's financial reports**

Management and directors of Silvercorp are responsible for establishing and maintaining an adequate system of internal control over financial reporting and used the Internal Control – Integrated Framework (2013) issued by the COSO to evaluate, with the participation of the CEO and CFO, the effectiveness of internal controls. Silvercorp's internal control over financial reporting includes:

- maintaining records, that in reasonable detail, accurately and fairly reflect Silvercorp's transactions and dispositions of the assets of Silvercorp;
- providing reasonable assurance that transactions are recorded as necessary for preparation of Silvercorp's consolidated financial statements in accordance with generally accepted accounting principles;
- providing reasonable assurance that receipts and expenditures are made in accordance with authorisations of management and the directors of Silvercorp; and
- providing reasonable assurance that unauthorised acquisition, use or disposition of company assets that could have a material effect on

Silvercorp's consolidated financial statements would be prevented or detected on a timely basis.

Based on this evaluation, Silvercorp believes it has a proper internal control and risk management system in place. Silvercorp concluded that its internal control over financial reporting based on the criteria set forth in Internal Control – Integrated Framework (2013) issued by COSO was effective as of 31 March 2023 and provided a reasonable assurance of the reliability of Silvercorp's financial reporting and preparation of the financial statements.

No matter how well a system of internal control over financial reporting is designed, any system has inherent limitations. Even systems determined to be effective can provide only reasonable assurance of the reliability of financial statement preparation and presentation. Also, controls may become inadequate in the future because of changes in conditions or deterioration in the degree of compliance with Silvercorp's policies and procedures. In addition, as some of the risk management and internal control policies and procedures are relatively new, Silvercorp may need to establish and implement additional policies and procedures to further improve Silvercorp's systems from time to time. Since Silvercorp's risk management and internal controls depend on implementation by Silvercorp employees, there is a risk that such implementation will involve human errors or mistakes. If Silvercorp fails to implement its policies and procedures in a timely manner or fails to identify risks that affect the Merged Group's business, the Merged Group's business, results of operations and financial condition could be materially and adversely affected.

The failure to achieve and maintain the adequacy of Silvercorp's internal control over financial reporting on a timely basis could result in the loss of investor confidence in the reliability of the financial statements, which in turn could harm the business and negatively impact the trading price of shares. In addition, any failure to implement the required new or improved controls, or difficulties encountered in their implementation, could harm the operating results or cause failure in meeting the reporting obligations. There can be no assurance that Silvercorp will be able to remediate material weaknesses, if any, identified in future periods, or maintain all of the controls necessary for continued compliance and there can be no assurance that Silvercorp will be able to retain sufficient skilled finance and accounting personnel, especially in light of the increased demand for such personnel among publicly traded companies. Future acquisitions of companies may provide Silvercorp with challenges in implementing the required processes, procedures and controls in the acquired operations. Acquired companies may not have disclosure controls and procedures or internal control over financial reporting that are as thorough or effective as those required by securities laws currently applicable to Silvercorp.

(x) Silvercorp may be subject to regulatory investigations, claims and legal proceedings that could materially and adversely impact the Merged Group's business, financial condition or results of operations

Due to the nature of its business, Silvercorp may be subject to numerous regulatory investigations, claims, lawsuits and other proceedings in the ordinary course of its business. The results of these legal proceedings cannot be predicted with certainty due to the uncertainty inherent in litigation, including the discovery of evidence process, the difficulty of predicting decisions of judges and juries and the possibility that decisions may be reversed on appeal. There can be no assurances that these matters will not have a material adverse effect on the Merged Group's business.

No assurance can be given with respect to the ultimate outcome of current or future litigation or regulatory proceedings and the amount of any damages awarded, or penalties assessed in such a proceeding could be substantial. In addition to monetary damages and penalties, the allegations made in connection with the proceedings may have a material adverse effect on the reputation of Silvercorp and may impact its ability to conduct operations in the normal course.

Litigation and regulatory proceedings also require significant resources to be expended by the directors, officers and employees of Silvercorp and as a result, the diversion of such resources could materially affect the ability of Silvercorp to conduct its operations in the normal course of business. Significant fees and expenses may be incurred by Silvercorp in connection with the investigation and defence of litigation and regulatory proceedings. Silvercorp may also be obligated to indemnify certain directors, officers, employees and experts for additional legal and other expenses pursuant to such proceedings, which additional costs may be substantial and could have a negative effect on Silvercorp's future operating results. Silvercorp may be able to recover certain costs and expenses incurred in connection with such matters from its insurer. However, there can be no assurance regarding when or if the insurer will reimburse Silvercorp for such costs and expenses.

(y) **Silvercorp's investment in New Pacific Metals is subject to a number of risks and may prove unprofitable**

Silvercorp is a strategic investor in New Pacific Metals. As of 30 September 2023, Silvercorp owned 46,893,506 shares of New Pacific Metals, representing a 27.5% ownership interest. New Pacific Metals is a mining company engaged in exploring and developing mineral properties in Bolivia. Investments in junior mining companies involve volatile share prices, liquidity risk and may result in possible loss of principal. New Pacific Metals has no revenue from operations and no ongoing mining operations of any kind.

Resource exploration and development is a speculative business and involves a high degree of risk, including, among other things, unprofitable efforts resulting both from the failure to discover mineral deposits and from finding mineral deposits which, though present, are insufficient in size and grade at the then prevailing market conditions to return a profit from production. The marketability of natural resources which may be acquired or discovered by New Pacific Metals will be affected by numerous factors beyond the control of New Pacific Metals. These factors include market fluctuations, the proximity and capacity of natural resource markets and government regulations, including regulations relating to prices, taxes, royalties, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in Silvercorp not receiving an adequate return on invested capital or the possible loss of principal.

Substantial expenditures are required to establish ore reserves through drilling, metallurgical and other testing techniques, determine metal content and metallurgical recovery processes to extract metal from the ore and construct, renovate, or expand mining and processing facilities. No assurance can be given that any level of recovery of ore reserves will be realised or that any identified mineral deposit, even if it is established to contain an estimated resource, will ever qualify as a commercial mineable ore body, which can be legally and economically exploited.

In addition to the high degree of risk associated with investing in exploration and development mining companies, Silvercorp's investment in New Pacific Metals entails an additional risk by virtue of the fact that its projects are located in Bolivia. There has been a significant level of political and social unrest in Bolivia in recent years resulting from a number of factors, including Bolivia's history of political and economic instability under a variety of governments and high rate of unemployment. New Pacific Metals' exploration and development activities may be affected by changes in government, political instability and the nature of various government regulations relating to the mining industry. Bolivia's fiscal regime has historically been favourable to the mining industry, but there is a risk that this could change. New Pacific Metals cannot predict the Bolivian government's positions on foreign investment, mining concessions, land tenure, environmental regulation, or taxation. A change in the Bolivian government positions on these issues could adversely affect New Pacific Metals' business and/or its holdings, assets and operations in Bolivia. Any changes in regulations or shifts in political conditions are beyond the control of New Pacific

Metals. Moreover, protestors and cooperatives have previously targeted foreign companies in the mining sector and as a result there is no assurance that future social unrest will not have an adverse impact on Silvercorp's operations. Labour in Bolivia is customarily unionised and there are risks that labour unrest or wage agreements may impact operations. New Pacific Metals' operations in Bolivia may also be adversely affected by economic uncertainty characteristic of developing countries. In addition, operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, export controls, currency remittance, income taxes, expropriation of property, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use and safety factors. There is no assurance that New Pacific Metals will be successful in obtaining ratification and approval by the Pluractional Legislative Assemble of Bolivia on the mining production contract it signed with Corporación Minera de Bolivia (COMIBOL) in a timely manner or at all, or that they will be obtained on reasonable terms. New Pacific Metals cannot predict the Bolivian government's positions on foreign investment, mining concessions, land tenure, environmental regulation, community relations, or taxation. A change in the Bolivian government positions on these issues could adversely affect the ratification of the mining production contract and New Pacific Metals' business.

Exploration and development of and production from, any deposits at New Pacific Metals' mineral projects require permits from various government authorities. There can be no assurance that any required permits will be obtained in a timely manner or at all, or on reasonable terms. Delays or failure to obtain, expiry of, or a failure to comply with the terms of such permits could prohibit development of New Pacific Metals' mineral projects and have a material adverse impact on New Pacific Metals.

While New Pacific Metals believes the contractual relationships and the structures it has in place with private Bolivian companies owned 100% by Bolivian nationals for the Silverstrike Project and the Carangas Project are legally compliant with Bolivian laws related to the Frontier Areas, there is no assurance that the New Pacific Metals Bolivian partner will be successful in obtaining approval of Autoridad Jurisdiccional Administrativa Minera to convert the exploration licences to Administrative Mining Contract (Contrato Administrativo Minero) in the case of Carangas Project, or that even if approved, that such contractual relationship and structure will not be challenged by other Bolivian organizations or communities.

(z) **Silvercorp's information technology systems may be vulnerable to disruption, which could place Silvercorp's systems at risk for data loss, operational failure or compromise of confidential information**

Silvercorp is subject to cybersecurity risks including unauthorised access to privileged information, destroy data or disable, degrade or sabotage Silvercorp's systems, including through the introduction of computer viruses. Although Silvercorp takes steps to secure Silvercorp's configurations and manage Silvercorp's information system, including Silvercorp's computer systems, internet sites, emails and other telecommunications and financial/geological data, there can be no assurance that measures Silvercorp takes to ensure the integrity of Silvercorp's systems will provide adequate protection, especially because cyberattack techniques used change frequently or are not recognised until successful. Silvercorp has not experienced any material cybersecurity incident in the past, but there can be no assurance that Silvercorp would not experience in the future. If Silvercorp's systems are compromised, do not operate properly or are disable, Silvercorp could suffer financial loss, disruption of business, loss of geology data which could affect Silvercorp's ability to conduct effective mine planning and accurate mineral resources estimates, loss of financial data which could affect Silvercorp's ability to provide accurate and timely financial reporting.

10.3 Risks relating to the Offer and the creation of the Merged Group

(a) Issue of Silvercorp Shares

Under the Offer, Silvercorp will offer a significant number of Silvercorp Shares to OreCorp Shareholders. As a result, the value of the consideration will fluctuate depending upon the value of Silvercorp Shares. If current OreCorp Shareholders or current Silvercorp Shareholders do not wish to hold Silvercorp Shares and seek to sell them, this may adversely affect the value of Silvercorp Shares.

Further, a Nominee appointed by Silvercorp (and approved by ASIC) will be issued any Silvercorp Shares attributable under the Offer to Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders, and will sell them in accordance with the terms of the Offer. If there is a significant number of Silvercorp Shares held by Ineligible Foreign Shareholders or Unmarketable Parcel Shareholders (resulting in a significant number of Silvercorp Shares being sold by the Nominee), the price at which Silvercorp Shares are traded on the TSX or NYSE American may be adversely affected. However, based on the information available to Silvercorp as at the date of this Bidder's Statement, Silvercorp does not anticipate this effect to be material as there are only limited number of Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders as at the date of this Bidder's Statement.

(b) Fluctuation in the market value of Silvercorp's Shares

OreCorp Shareholders are being offered the Offer Consideration under the Offer that consists of a specified number of Silvercorp Shares (rather than a number of Silvercorp Shares with a specified market value). The market value of Silvercorp Shares at the time at which they are received by OreCorp Shareholders may vary from their market value on the date that OreCorp Shareholders accept the Offer.

Accordingly, market fluctuations could affect the value of the Consideration paid under the Offer and the value of an accepting OreCorp Shareholder's investment in Silvercorp. Silvercorp is not obliged to make any adjustment in the consideration payable under the Offer if the value of Silvercorp Shares changes during the Offer Period.

(c) Uncertainty in relation to "no material adverse change" Offer Condition

The Offer Condition in paragraph (d) of Appendix 2 ("no material adverse change") contains quantitative monetary thresholds. However, it is also, in subparagraph (iv), referable to what "has or could reasonably be expected to have a material adverse effect on the business, assets, liabilities, financial or trading position, profitability or prospects of the OreCorp Group taken as a whole". This subparagraph is therefore subject to subjective thresholds as it does not provide for a specific quantitative threshold that it can be measured against. Accordingly, it is possible that there could be a dispute over the existence of an alleged material adverse change. This could result in the Offer Condition not being satisfied.

(d) Triggering change in control provisions

Silvercorp is not aware of any pre-emptive rights or change of control provisions affecting OreCorp's assets or agreements (except for certain employment agreements with senior management of OreCorp and the potential for an indirect disposal tax to be applied to a change of control in SMCL under the Tanzanian Income Tax Act R.E. 2019) which would be triggered by Silvercorp obtaining control of OreCorp. However, OreCorp may be a party to agreements that contain pre-emptive rights or change of control provisions that may be triggered if the Silvercorp acquires OreCorp Shares representing a majority of the voting rights of OreCorp. The operation of these pre-emptive rights or change of control provisions (if triggered) could have negative consequences, including requiring OreCorp to renegotiate its financings, or sell joint venture interests. These provisions may be waived with the consent of the other party and Silvercorp would consider seeking such waivers if it

discovered that pre-emptive rights or change of control provisions affecting OreCorp's assets or agreements would be triggered upon Silvercorp obtaining control of OreCorp. In the absence of these waivers, the operation of any of these change of control or pre-emptive right provisions could adversely affect the operations of the Merged Group.

(e) **Merger integration risks**

Silvercorp intends, to the extent possible, to seek to integrate OreCorp's operations within Silvercorp so as to maximise operational synergies as well as eliminating a range of duplicated effort and costs. The extent to which these synergy benefits and cost savings are realisable depends upon a range of factors including the level of acceptances received under the Offer. While Silvercorp expects that value can be added through the transaction, there is a risk that implementation of the transaction may involve:

- (i) unexpected delays, liabilities and costs in relation, but not limited, to integrating operating and management systems;
- (ii) the loss of key employees or suppliers of OreCorp; and
- (iii) the termination of contractual arrangements as a result of the change in control of OreCorp.

If the integration is not achieved in an orderly fashion and within a reasonable time period, the full benefits, cost savings and other expected synergies may be achieved only in part, or not at all, and this could adversely impact the Merged Group's financial performance.

There are risks associated with conducting the business activities and operations previously operated by a different entity. For example, Silvercorp has not previously conducted operations in Tanzania (with its primary operations located in China). The risk also exists that the implementation of the integration of OreCorp and Silvercorp may take longer than expected so that integration is achieved over a longer time period than expected. Each of these factors may impact on the Merged Group's financial performance.

The Merged Group will continue Silvercorp's corporate strategies and operational objectives. There is the risk that the Merged Group may be unable to realise these strategies, operational objectives and benefits (in whole or in part) or that they will not materialise, or will not materialise to the extent that the Merged Group anticipates (for whatever reason, including matters beyond the control of the Merged Group), or that the realisation of the strategies, operational objectives and benefits are delayed. Any failure to meet these strategies, operational objectives and benefits, or delay in realising these strategies, operational objectives and benefits, could have an adverse impact on the Merged Group's operations, financial performance and financial position, including the potential for any share price re-rating.

(f) **Loss of key staff**

The Merged Group's operations will be dependent upon the continued performance, efforts, abilities and expertise of its key personnel. There are no guarantees that the Merged Group will be able to retain these employees or that it will be able to prevent them from competing with the Merged Group in the event of their departure.

(g) **Uncertainty in dealing in the Tanzania operating environment**

The operating environment in Tanzania is significantly different than Silvercorp's current operating environments. Silvercorp may incur greater than anticipated problems in adjusting to the operating environment in Tanzania and it may take

longer than anticipated to become familiar with the Tanzanian operating environment. This may affect the future earnings performance of the Merged Group.

(h) **Less than 90% ownership in OreCorp**

If the Offer results in Silvercorp being entitled to a Relevant Interest in at least 90% of OreCorp Shares, Silvercorp will be able to compulsorily acquire the balance of OreCorp Shares so that OreCorp will become a wholly-owned subsidiary of Silvercorp. Silvercorp reserves its rights to declare the Offer free from the Minimum Acceptance Condition (or any other Offer Condition).

However, if Silvercorp receives acceptances to attain a Relevant Interest in at least 50% of OreCorp Shares but is not able to proceed to compulsory acquisition, the non-accepting OreCorp Shareholders will retain their OreCorp Shares so that OreCorp will not be a wholly-owned subsidiary of Silvercorp. If this occurs, the Merged Group's ability to deal with the assets of OreCorp will be constrained and there will be further associated costs of having minority securityholders.

(i) **Minority shareholders in OreCorp**

If you do not accept the Offer and the Offer becomes unconditional you may, depending on the level of acceptance of the Offer, become part of a locked-in minority in OreCorp. In such a case, the liquidity of OreCorp Shares may be materially diminished (and consequently, OreCorp Shares may trade below their current pricing levels or the implied value of the Offer).

(j) **Taxation risks**

The taxation consequences and risks of the Offer depend upon the specific circumstances of each OreCorp Shareholders. A general outline of possible Australian taxation consequences of accepting the Offer is set out in section 11.

OreCorp Shareholders should obtain their own independent professional taxation advice regarding the applicable law in respect of the Offer.

(k) **Business disruption**

Parties with whom OreCorp and Silvercorp do business may experience uncertainty associated with the Offer, including with respect to current or future business relationships with OreCorp, Silvercorp or the Merged Group. OreCorp's and Silvercorp's relationships may be subject to disruption as customers and suppliers and other persons with whom OreCorp and Silvercorp have a business relationship may delay or defer certain business decisions or might decide to seek to terminate, change or renegotiate their relationships with OreCorp or Silvercorp, as applicable, or consider entering into business relationships with parties other than OreCorp or Silvercorp. These disruptions could have an adverse effect on the results of operations, cash flows and financial position of the Merged Group, including an adverse effect on Silvercorp's ability to realise the expected synergies and other benefits of the Offer.

(l) **Transaction costs**

OreCorp and Silvercorp expect to incur significant costs associated with the Offer and combining their operations. The Merged Group's fees and expenses related to the Offer include financial adviser fees, filing fees, legal and accounting fees and regulatory fees some of which will be paid regardless of whether the Offer Conditions are satisfied or waived. The Merged Group's costs in connection with the integration of OreCorp and Silvercorp are difficult to predict before the integration process begins, and the Merged Group may incur unanticipated costs as a consequence of difficulties arising from its integration efforts.

(m) **Due diligence**

Before executing the Scheme Implementation Deed, OreCorp and Silvercorp undertook a period of mutual due diligence for the purpose of evaluating the merits and negotiating the terms of the Offer. Although OreCorp and Silvercorp decided to proceed with the Scheme and then the Offer following that due diligence exercise, there is a risk that the due diligence undertaken was insufficient or failed to identify or appreciate the impact of key issues or identify all liabilities of either OreCorp or Silvercorp. These liabilities, and any additional risks and uncertainties related to the Offer not currently known to Silvercorp or that Silvercorp may currently deem immaterial or unlikely to occur, could negatively impact the Merged Group's business, financial position and results from operations.

(n) **Potential liabilities**

Integration of OreCorp and Silvercorp may pose special risks, including write-offs or restructuring charges, unanticipated costs, and the loss of key employees. There can be no assurance that the integration will be accomplished effectively or in a timely manner. In addition, the integration of OreCorp will subject Silvercorp to liabilities (including potential tax liabilities) that may exist at OreCorp or may arise in connection with the completion of the Offer, some of which may be unknown or difficult to quantify. For example, refer section 8.7(f) of this Bidder's Statement which details the possibility of a capital gains tax payable under Tanzanian legislation.

Although Silvercorp and its advisers have conducted due diligence on the operations of OreCorp, there can be no guarantee that Silvercorp is aware of all liabilities of OreCorp. These liabilities, and any additional risks and uncertainties related to the Offer not currently known to Silvercorp or that Silvercorp may currently deem immaterial or unlikely to occur, could negatively impact the Merged Group's business, financial condition and results of operations.

(o) **Silvercorp is a foreign company and a foreign issuer**

Silvercorp, as the holding company of the Merged Group, is incorporated under the laws of the province of British Columbia and is listed on TSX and NYSE American. Accordingly, Silvercorp is subject to foreign corporations and securities laws (including as to corporate governance requirements), which may differ from the corresponding laws that are applicable to companies in an investor's place of residence (including Australia).

It may be more difficult for shareholders to enforce their legal rights against the Merged Group (which will be organised and managed outside of Australia) than if the Merged Group was organised, managed and resident solely in Australia. Additionally, the common law and statutory rights of shareholders under the laws of Canada and the United States may be more limited or less favourable than corresponding rights available to shareholders under Australian law.

Silvercorp is a US issuer and is required to prepare and submit its periodic and other filings in accordance with US securities laws. As a result, certain information about Silvercorp that is contained in this Bidder's Statement has been prepared in accordance with US disclosure regulations, rather than the requirements that would apply to issuers in Australia, such as OreCorp. US disclosure requirements are different from Australian requirements, and as such, the information about Silvercorp contained in this Bidder's Statement may not be comparable to similar information available about OreCorp or other Australian issuers.

Whilst the political climate in Canada and British Columbia has been stable for many years, there can be no assurance that changing social, economic and political conditions will not adversely affect the operations of the Merged Group in the future.

(p) **Pro-forma financial information may not be indicative of actual the actual financial condition of the Merged Group**

The Pro Forma Historical Financial Information for the Merged Group contained in this Bidder's Statement is presented for illustrative purposes only and may not be indicative of Silvercorp's financial condition or results of operations following the Offer for a number of reasons. For example, the Pro Forma Historical Financial Information for the Merged Group has been derived from the historical financial statements of Silvercorp and OreCorp and certain adjustments and assumptions have been made regarding Silvercorp following the Offer. The information that forms the basis of these adjustments and assumptions is preliminary, and these kinds of adjustments and assumptions are difficult to make with complete accuracy.

Further, the Pro Forma Historical Financial Information for the Merged Group does not include all of the costs that are expected to be incurred by Silvercorp in connection with the Offer. For example, the impact of any incremental costs that are incurred in relation to the integration of Silvercorp and OreCorp is not reflected in the Pro Forma Historical Financial Information for the Merged Group.

Accordingly, the actual financial condition and results of operations of the Merged Group may not be consistent with, or evident from, the Pro Forma Historical Financial Information for the Merged Group. Additionally, the purchase price used in preparing the Pro Forma Historical Financial Information for the Merged Group is based on the closing market price of Silvercorp Shares, as well as the AUD:CAD exchange rate, as of 22 December 2023, which may be materially different from the closing price of Silvercorp Shares and the AUD:CAD exchange rate when Silvercorp Shares are issued to OreCorp Shareholders under the Offer.

The assumptions used in preparing the Pro Forma Historical Financial Information for the Merged Group may not prove to be accurate, and other factors may affect the financial condition or results of operations of Silvercorp following Offer. The price of Silvercorp Shares may be adversely affected if Silvercorp's actual financial results fall short of the historical financial results reflected in the Pro Forma Historical Financial Information for the Merged Group that are contained in this Bidder's Statement.

10.4 General risks

(a) **Market and general economic conditions may adversely affect the Merged Group's results of operations and financial condition**

Many industries, including the mining industry, are impacted by market conditions. Some of the key impacts of the recent financial market turmoil include risks relating to COVID-19, contraction in credit markets resulting in a widening of credit risk, devaluations and high volatility in global equity, commodity, foreign exchange and precious metals markets and a lack of market liquidity. Adverse changes in macroeconomic conditions, including global and country-by-country economic growth, the costs and general availability of credit, the level of inflation, interest rates, exchange rates, government policy (including fiscal, monetary and regulatory policies), general consumption, consumer spending and sentiment, employment levels, industrial disruption, fuel and energy costs, consumer debt levels and the state of the financial markets may adversely affect the Merged Group's growth and profitability. In particular, the volatility of silver, lead, zinc and gold prices may impact the Merged Group's revenues, profits, losses and cash flow; volatile energy prices, commodity and consumable prices and currency exchange rates would impact the Merged Group's production costs; and the devaluation and volatility of global stock markets may impact the valuation of Silvercorp's equity and other securities. These factors could have a material adverse effect on the Merged Group's financial condition and results of operations.

(b) **Equity dilution**

The Merged Group may undertake offerings of equities in the future. Factors including the increase in the number of fully paid shares issued, the ability of an individual shareholder to participate in the equity offer and the issue price and the possibility of selling such equities, may have an adverse effect on the financial position or voting power of any individual shareholder.

(c) **Tax**

A change to the current tax regime may affect shareholders in the Merged Group. Personal tax liabilities will be the responsibility of each investor in the Merged Group. The Merged Group will not be responsible for tax or penalties incurred by investors in the Merged Group.

(d) **Change in accounting or financial reporting standards**

Accounting and financial reporting standards are outside the Merged Group's control. Changes to accounting standards or changes to any other financial reporting standards could materially adversely affect the financial performance and position reported in the Merged Group's financial statements.

(e) **The Merged Group's activities and business could be adversely affected by the effects of health epidemics, including the COVID-19 pandemic, in regions where the Merged Group conducts its business operations**

The Merged Group's business, operations and financial condition could be materially adversely affected by the outbreak of pandemics or other health crises, such as the outbreak of COVID-19. Any future emergence and spread of similar pathogens could have an adverse impact on global economic conditions which may adversely impact the Merged Group's operations and the operations of suppliers, contractors and service providers.

On 5 May 2023, WHO announced that COVID-19 no longer qualifies as a global emergency and as at the date of this Bidder's Statement, the global spread of COVID-19 appears to have stabilised. Silvercorp has modified its measures to monitor, combat and manage the impact of COVID-19 at its operations. Due to the potential for new variants of COVID-19, future disruptions to business internationally and related financial impact on the Merged Group and the economy in general cannot be estimated with any degree of certainty at this time.

In the fiscal year ended 31 March 2023, Silvercorp modified its preventative control measures. These measures include continuing education and, where appropriate, voluntary vaccination campaigns to avoid illnesses related to COVID-19, COVID-19 variants and the seasonal flu. Monitoring of worker wellness or fitness for duty continues, in accordance with the recommendations by the Canadian and Chinese Governments health agencies, continues.

There is no guarantee that the Merged Group will not experience disruptions to some of its active mining operations due to COVID-19 restrictions in the future. Any resurgence of COVID-19 or the spread of other public health crises could materially and adversely impact the Merged Group's business, including without limitation, employee health, workforce availability and productivity, limitations on travel, supply chain disruptions, increased insurance premiums, increased costs and reduced efficiencies, the availability of industry experts and personnel, restrictions on the Merged Group's exploration and drilling programs and/or the timing to process drill and other metallurgical testing and the slowdown or temporary suspension of operations at some or all of the Merged Group's properties, resulting in reduced production volumes. Although Silvercorp has the capacity to continue certain administrative functions remotely, many other functions, including mining operations, cannot be conducted remotely. Any such disruptions could have an adverse effect on the Merged Group's production, revenue, net income and business.

(f) **The Merged' Group's operations and financial results could be adversely affected by climate change**

There is significant evidence of the effects of climate change on the planet and an intensifying focus on addressing these issues. Silvercorp recognises that climate change is a global challenge that may have both favourable and adverse effects on the Merged Group's business in a range of possible ways. Mining and processing operations are energy intensive and result in a carbon footprint either directly or through the purchase of fossil-fuel based electricity. As such, the Merged Group is impacted by current and emerging policy and regulation relating to greenhouse gas emission levels, energy efficiency and reporting of climate-change related risks. While some of the costs associated with reducing emissions may be offset by increased energy efficiency, technological innovation or the increased demand for the Merged Group's metals as part of technological innovations, the current regulatory trend may result in additional transition costs at some of the Merged Group's operations. Governments are introducing climate change legislation and treaties at the international, national and local levels and regulations relating to emission levels and energy efficiency are evolving and becoming more rigorous. Current laws and regulatory requirements are not consistent across the jurisdictions in which the Merged Group operates and regulatory uncertainty is likely to result in additional complexity and cost in the Merged Group's compliance efforts. Public perception of mining is, in some respects, negative and there is increasing pressure to curtail mining in many jurisdictions as a result, in part, of perceived adverse effects of mining on the environment.

Concerns around climate change may also affect the market price of Silvercorp Shares as institutional investors and others may divest interests in industries that are thought to have more environmental impacts. While Silvercorp is committed to operating responsibly and reducing the negative effects of the Merged Group's operations on the environment, the Merged Group's ability to reduce emissions, energy and water usage by increasing efficiency and by adopting new innovation is constrained by technological advancement, operational factors and economics. Adoption of new technologies, the use of renewable energy and infrastructure and operational changes necessary to reduce water usage may also increase the Merged Group's costs significantly. Concerns over climate change and Silvercorp's ability to respond to regulatory requirements and societal pressures, may have significant impacts on the Merged Group's operations and on Silvercorp's reputation and may even result in reduced demand for the Merged Group's products.

The physical risks of climate change could also adversely impact the Merged Group's operations. These risks include, among other things, extreme weather events, resource shortages, changes in rainfall and in storm patterns and intensities, water shortages, changing sea levels and extreme temperatures. Climate-related events such as mudslides, floods, droughts and fires can have significant impacts, directly and indirectly, on the Merged Group's operations and could result in damage to the Merged Group's facilities, disruptions in accessing the Merged Group's sites with labour and essential materials or in shipping products from the Merged Group's mines, risks to the safety and security of the Merged Group's personnel and to communities, shortages of required supplies such as fuel and chemicals, inability to source enough water to supply the Merged Group's operations and the temporary or permanent cessation of one or more of the Merged Group's operations. There is no assurance that Silvercorp will be able to anticipate, respond to, or manage the risks associated with physical climate change events and impacts and this may result in material adverse consequences to the Merged Group's business and to the Merged Group's financial results.

(g) **Recent market events and conditions of worldwide securities markets may adversely impact the Merged Group's ability to obtain financing**

Over the past several years market events and conditions, including disruptions in the Canadian, United States and international credit markets and other financial systems,

along with the uncertainty of the Canadian, United States and global economic conditions which have been heightened due to risks relating to the spread of COVID-19 and the prior decline in precious metal prices, could, among other things, impede access to capital or increase the cost of capital, which would have an adverse effect on Silvercorp's ability to fund its working capital and other capital requirements.

Over the past several years, worldwide securities markets, particularly those in the United States and Canada, have experienced a high level of price and volume volatility. Of note, the share prices of natural resource companies have in the past experienced an extraordinary decline in value and in the number of buyers willing to purchase such securities. In addition, significantly higher redemptions by holders of mutual funds have forced many of such funds (including those holding Silvercorp Shares) to sell such securities with little consideration to the price received.

Therefore, there can be no assurance that significant fluctuations in the trading price of Silvercorp Shares will not occur, or that such fluctuations will not materially adversely impact Silvercorp's ability to raise equity funding without significant dilution to its existing shareholders, or at all.

(h) **Share market conditions**

There are risks associated with any investment in securities. Publicly listed securities and, in particular, securities of mining and exploration companies, have experienced extreme price and volume fluctuations that have often been unrelated to the operating performances of such companies.

The price at which Silvercorp Shares are quoted may increase or decrease due to a number of factors. These factors may cause the Silvercorp Shares to trade at prices below the price at the date of the Offer. There is no assurance that the price of the Silvercorp Shares will increase following the Offer, even if Silvercorp's earnings increase.

10.5 Not exhaustive

The risks set out in this section are not exhaustive of all the risks faced or that may be faced by the Merged Group. Accordingly, no assurances or guarantees of future performance or profitability are given by Silvercorp, its subsidiaries or any of their respective officers and employees.

11 Taxation considerations

11.1 Introduction

The following is a general outline of the principal Australian income tax, goods and services (GST) and stamp duty consequences applicable to an OreCorp Shareholder who disposes of OreCorp Shares under the Offer.

The outline reflects the current provisions of the *Income Tax Assessment Act 1936* (Cth), the *Income Tax Assessment Act 1997* (Cth), the *Taxation Administration Act 1953* (Cth) and other applicable Acts, and the regulations made under those Acts, taking into account Silvercorp's understanding of the current administrative practices of the Australian Taxation Office and relevant state revenue authorities. The outline does not otherwise take into account or anticipate changes in the law, whether by way of judicial decision or legislative action, nor does it take into account tax legislation of countries apart from Australia.

The following outline is not exhaustive of all possible Australian tax considerations that could apply to OreCorp Shareholders. In particular, the summary is only relevant to those OreCorp Shareholders who hold their OreCorp Shares on capital account for Australian income tax purposes. The summary does not consider the Australian tax considerations that may be relevant for:

- (a) OreCorp Shareholders who hold (or will hold) OreCorp Shares as trading stock or on revenue account for Australian income tax purposes, or who are exempt from Australian income tax, or are subject to the Taxation of Financial Arrangements rules in Division 230 of the *Income Tax Assessment Act 1997*;
- (b) financial institutions, insurance/life insurance companies, partnerships, superannuation funds, tax exempt organisations or temporary residents;
- (c) dealers in the OreCorp Shares;
- (d) OreCorp Shareholders who hold the OreCorp Shares on behalf of another person or OreCorp Shareholders who acquired their OreCorp Shares as part of an employee share scheme or who hold performance rights;
- (e) Australian residents who hold their OreCorp Shares as part of an enterprise carried on at or through a permanent establishment in a foreign country;
- (f) OreCorp Shareholders who change their tax residence while holding OreCorp Shares; or
- (g) OreCorp Shareholders who invest indirectly into OreCorp through directed portfolio services, master funds or other portfolio administration services.

For OreCorp Shareholders who are non-residents of Australia for tax purposes, it is assumed that the OreCorp Shares are not held and have never been held, as an asset of a permanent establishment of that OreCorp Shareholder in Australia.

This outline does not constitute tax advice. Each OreCorp Shareholder should consult their own tax adviser regarding the consequences of acquiring, holding or disposing of their OreCorp Shares.

11.2 Taxation on the disposal of OreCorp Shares

If you accept the Offer, or if Silvercorp proceeds to compulsorily acquire your OreCorp Shares, you will be treated as having disposed of your OreCorp Shares for Australian income tax purposes. The disposal of your OreCorp Shares will be a CGT event for Australian income tax purposes.

For OreCorp Shareholders who accept the Offer, the date of the CGT event will be the date the contract to dispose of your OreCorp Shares is formed, being the date the Offer is accepted. If your OreCorp Shares are compulsorily acquired, the date of the CGT event will be the date when Silvercorp becomes the owner of your OreCorp Shares.

11.3 Australian resident OreCorp Shareholders

General

OreCorp Shareholders may make a capital gain or loss on the transfer of the OreCorp Shares. You should realise a capital gain in connection with the disposal of an OreCorp Share to the extent that the capital proceeds you receive (or will receive) for the disposal of that OreCorp Share as determined in accordance with the tax law is more than the cost base of that OreCorp Share. You should realise a capital loss to the extent that the capital proceeds you receive (or will receive) is less than the reduced cost base of the OreCorp Share. Capital losses can usually only be offset against capital gains you realise in the same income year or in later income years.

The capital proceeds that you receive for the disposal of your OreCorp Shares should be:

- the amount of cash you receive for the disposal of your OreCorp Shares; and
- the market value of the New Silvercorp Shares you receive for the disposal of your OreCorp Shares, worked out at the date of the CGT event (as described in section 11.2 above) for the disposal of your OreCorp Shares.

The cost base of an OreCorp Share should be the total amount you paid for the OreCorp Share and certain acquisition costs and other costs relating to the holding and disposal of the OreCorp Share, to the extent to which you have not claimed an income tax deduction for such costs. The reduced cost base of an OreCorp Share is usually determined in a similar, but not identical, manner. There are a number of circumstances which may result in your cost base or reduced cost base being calculated in a different manner to that outlined above. We recommend that you consult your tax adviser to confirm the cost base or reduced cost base of your OreCorp Shares.

Any net capital gain in respect of an income year should be included in your assessable income for that income year. Broadly, your net capital gain in respect of an income year will be calculated by aggregating all of your capital gains realised in that income year and reducing that amount by your capital losses realised in that income year and any available net capital losses from prior years.

CGT discount

OreCorp Shareholders who are individuals, trusts or complying superannuation funds may be eligible for discount capital gains treatment in respect of an OreCorp Share if they have held that OreCorp Share for at least 12 months at the time they are taken to have disposed of their OreCorp Shares, meaning only 50% (in the case of individuals and trusts) or 66.6% (in the case of complying superannuation funds) of the capital gain will be included as net capital gains. OreCorp Shareholders who are companies are not eligible for discount capital gains treatment. OreCorp Shareholders should seek their own tax advice regarding their eligibility for discount capital gains tax treatment.

Partial scrip for scrip roll-over relief

Scrip-for-scrip roll-over relief allows taxpayers to defer a capital gain made by a taxpayer if, under a single arrangement, a taxpayer exchanges a share in a company for a share in another company (**Roll-Over Relief**).

OreCorp Shareholders may be able to choose to obtain partial Roll-Over Relief to defer any capital gains arising on the disposal of their OreCorp Shares to the extent they receive New Silvercorp Shares as consideration for the disposal of their OreCorp Shares.

Roll-Over Relief will not be available in respect of any Cash Consideration received by OreCorp Shareholders for the disposal of their OreCorp Shares.

OreCorp Shareholders who elect to choose partial Roll-Over Relief will provide evidence of having made a choice to apply partial Roll-Over Relief by the way they prepare their income tax return (i.e. by excluding the disregarded capital gain from assessable income). No formal election is required to be lodged in order to choose to obtain partial Roll-Over Relief. Broadly, the consequences of an OreCorp Shareholder choosing partial Roll-Over Relief would be that:

- the capital gain that they would otherwise make on the disposal of their OreCorp Shares will be deferred to the extent that the capital proceeds received are New Silvercorp Shares;
- the first element of the tax cost base and reduced tax cost base of the New Silvercorp Shares received by the OreCorp Shareholder should be equal to the cost base and reduced cost base (respectively) of the OreCorp Share for which it was exchanged, reduced by so much of the cost base or reduced base of that OreCorp Share as is attributable to Cash Consideration received by the Shareholder. For these purposes, a reasonable basis for calculating the first element of the tax cost base of the New Silvercorp Shares may be to multiply the tax cost base of the OreCorp Shares by the proportion that is equal to the market value of the New Silvercorp Shares received divided by the sum of the Cash Consideration and the market value of the New Silvercorp Shares; and
- the OreCorp Shareholder will be deemed (for CGT discount purposes only) to have acquired the New Silvercorp Shares at the time that they originally acquired, or are deemed to have acquired, their OreCorp Shares. This may be relevant for CGT discount purposes in respect of future disposals.

OreCorp Shareholders who do not wish to choose partial Roll-Over Relief should include in their net capital gain calculation for the year in which the CGT event for the disposal of their OreCorp Shares occurs (as described in section 11.2 above), the entire capital gain realised by them on the disposal of their OreCorp Shares (not just the capital gain which is attributable to the disposal of their OreCorp Shares for Cash Consideration).

If an OreCorp Shareholder would realise a capital loss as a result of disposing of their OreCorp Shares, partial Roll-Over Relief will not be available, and the capital loss will be realised.

The benefit of choosing partial Roll-Over Relief will depend on the individual circumstances of each OreCorp Shareholder and therefore OreCorp Shareholders should seek professional tax advice.

The above comments will not apply to you if you buy and sell OreCorp Shares in the ordinary course of business, or if you acquired the OreCorp Shares for resale at a profit. In those cases, any gain is generally taxed as ordinary income. We recommend that those OreCorp Shareholders seek their own tax advice.

11.4 Non-resident OreCorp Shareholders

If you are not a resident of Australia for income tax purposes, you will generally not have to pay Australian tax on any capital gain when you dispose of your OreCorp Shares, unless both of the following requirements are satisfied:

- (a) you hold a “non-portfolio interest” in OreCorp; and
- (b) the OreCorp Shares pass the “principal asset test”.

If either element is absent, any capital gain made on the disposal of your OreCorp Shares should not be subject to income tax in Australia.

You will hold a “non-portfolio interest” in OreCorp if you (together with your associates) own, or owned, throughout a 12-month period during the 24-month period preceding the sale of your OreCorp Shares, 10% or more of (broadly) all of the OreCorp Shares. The term “associate” for these purposes is very broad. It includes:

- (a) in the case of individuals, certain relatives;
- (b) entities that have majority ownership (50% or more of the voting shares) of, or otherwise control, the foreign tax resident OreCorp Shareholder;
- (c) entities which are majority owned or controlled by the foreign tax resident OreCorp Shareholder;
- (d) a trustee of a trust where the foreign tax resident OreCorp Shareholder is capable of benefiting (whether directly or indirectly) under the trust; and
- (e) (generally) an associate of an associate.

Broadly, the OreCorp Shares would pass the “principal asset test” if the market value of OreCorp’s direct and indirect interests in Australian land (including leases and mining, quarrying or prospecting rights) is more than the market value of its other assets at the time you accept the Offer. Detailed calculations are necessary to determine the results of the “principal asset test”.

If you hold a “non-portfolio interest” in OreCorp, you should contact OreCorp to determine if the OreCorp Shares would pass the “principal asset test”. If so, you may be eligible for discount capital gains treatment in respect of an OreCorp Share if you acquired, or are taken to have acquired, your OreCorp Shares on or before 8 May 2012. You should seek your own tax advice in these circumstances.

If you buy and sell shares in the ordinary course of business, or acquired the shares for resale at a profit, any gain could be taxed in Australia as ordinary income and not as a capital gain (subject to any relief available under a double tax treaty that Australia has concluded with your country of residence). Again, you should seek your own tax advice.

You should seek advice from your tax adviser as to the taxation implications of accepting the Offer in your country of residence.

11.5 Foreign resident CGT withholding

Overview

Under the foreign resident capital gains tax withholding (**FRCGW**) rules in Subdivision 14-D of Schedule 1 to the *Taxation Administration Act 1953* (Cth), Silvercorp may have the obligation to withhold an amount of up to 12.5% of the Offer Consideration payable to you and pay such amount to the Australian Taxation Office, if (very broadly):

- (a) both the “non-portfolio test” and the “principal asset test” set out in section 11.4 above are satisfied in relation to your OreCorp Shares; and
- (b) any of the following apply:
 - (i) Silvercorp knows that you are a foreign resident for Australian tax purposes;
 - (ii) Silvercorp reasonably believes that you are a foreign resident for Australian tax purposes;
 - (iii) Silvercorp does not reasonably believe that you are a foreign resident for Australian tax purposes and either:

- (A) you have an address outside Australia (according to any record in Silvercorp's possession, or is kept or maintained on Silvercorp's behalf); or
- (B) Silvercorp is authorised to provide a financial benefit (e.g. payment of the Offer Consideration) to a place outside Australia; or
- (iv) you otherwise have a connection outside Australia of a kind specified in the tax regulations.

If Silvercorp determines or reasonably believes that it has an obligation to make the above payment, Silvercorp will (subject to the comments below in relation to relevant tax declarations) withhold the applicable FRCGW amount from the Offer Consideration payable to you and pay that amount to the Australian Taxation Office. You will only receive the net proceeds and will be taken to receive the full Offer Consideration for the purposes of this Offer, such that Silvercorp will be discharged of any liability to pay that amount of the Offer Consideration to you.

Depending on your specific circumstances, you may be entitled to apply to the Australian Taxation Office, before the disposal of your OreCorp Shares, to vary and reduce the rate of withholding from 12.5%.

Declaration for non-withholding of FRCGW

If Silvercorp determines or reasonably believes that it has an obligation to withhold the applicable FRCGW amount from the Offer Consideration payable to you, Silvercorp may request you to complete a declaration to the effect that either:

- (a) you are an Australian resident for Australian tax purposes (**Australian Residency Declaration**); or
- (b) your OreCorp Shares do not satisfy the non-portfolio test (see section 11.4 above) and/or do not satisfy the principal asset test (see section 11.4 above) (**Non-Portfolio Interest Declaration**).

If you are requested to provide an Australian Residency Declaration or Non-Portfolio Interest Declaration and:

- you provide a completed Australian Residency Declaration or Non-Portfolio Interest Declaration to Silvercorp before Silvercorp acquires your OreCorp Shares, Silvercorp will not deduct any FRCGW tax from the Offer Consideration payable to you, unless Silvercorp knows or reasonably believes the declaration to be false; or
- you do not provide a completed Australian Residency Declaration or Non-Portfolio Interest Declaration to Silvercorp before Silvercorp acquires your OreCorp Shares, or you provide a completed Australian Residency Declaration or Non-Portfolio Interest Declaration to Silvercorp that Silvercorp knows or reasonably believes to be false, Silvercorp will deduct the applicable FRCGW amount from the Offer Consideration payable to you.

If you are unsure about how the FRCGW tax applies to you or whether you are entitled to complete an Australian Residency Declaration or a Non-Portfolio Interest Declaration, you should seek independent advice.

Credit or refund of FRCGW

Any FRCGW tax withheld from the Offer Consideration is not a final tax. You should be entitled to claim a credit in your Australian income tax return, for the relevant income year, for any FRCGW tax withheld and remitted by Silvercorp in respect of your OreCorp Shares. To the extent the FRCGW tax exceeds your final Australian tax liability for the disposal of your OreCorp Shares, you should be entitled to a refund of the difference.

11.6 GST and stamp duty

Any stamp duty payable on the transfer of OreCorp Shares to Silvercorp pursuant to the Offer will be paid by Silvercorp.

You should not be liable for GST on a disposal of your OreCorp Shares. However, GST is likely to be payable to your broker in respect of brokerage fees (if any) charged to you in relation to the Offer.

Your ability to claim input tax credits on related acquisitions (if any) may be restricted. This is a complex area of the GST law and GST registered entities should seek their own professional tax advice in this regard.

12 Additional information

12.1 Bid Implementation Deed

(a) Overview

On 27 December 2023, Silvercorp and OreCorp entered into the Bid Implementation Deed pursuant to which Silvercorp agreed to make the conditional off-market Offer for all OreCorp Shares. A full copy of the Bid Implementation Deed was released to ASX on 27 December 2023.

Key terms of the Bid Implementation Deed are detailed below.

(b) Recommendation of OreCorp Directors

Clause 2.3 of the Bid Implementation Deed states that each OreCorp Director has confirmed that they will recommend that OreCorp Shareholders accept the Offer and will undertake to accept, or procure the acceptance of the Offer in respect of all OreCorp Shares held or controlled by them within 14 days after the Offer have opened for acceptance, in each case, in the absence of a Superior Proposal and subject to the Independent Expert concluding and continuing to conclude that the Offer is reasonable to OreCorp Shareholders.

Clause 2.3 of the Bid Implementation Deed further requires OreCorp to use its best endeavours to procure that no OreCorp Director withdraws or changes their recommendation of the Offer unless (a) the Independent Expert concludes that the Bid is not reasonable to OreCorp Shareholders; or (b) a Superior Proposal emerges.

(c) Obligations to implement and conduct business in the ordinary course

Both OreCorp and Silvercorp have agreed to each take certain steps to implement the Offer, which are set out in clause 3 of the Bid Implementation Deed.

In addition, both OreCorp and Silvercorp have agreed that from the date of the Bid Implementation Deed until the earlier of the end of the Offer Period and the date the Bid Implementation Deed is terminated, they will each carry on business in the ordinary course and in substantially the same manner as conducted as at the date of the Bid Implementation Deed.

(d) Exclusivity arrangements

(i) No shop obligation

During the Exclusivity Period, OreCorp and its representatives must not, directly or indirectly:

- solicit, invite, encourage or initiate any Competing Proposal or any offer, proposal, expression of interest, enquiry, negotiation or discussion with any Third Party in relation to, or that may reasonably be expected to encourage or lead to, a Competing Proposal; or
- announce or communicate to any person an intention to do any of the above.

(ii) No talk obligation

Subject to a fiduciary out exception, during the Exclusivity Period, OreCorp and its representatives must not directly or indirectly enter into or continue negotiations or discussions with any Third Party in relation to a Competing Proposal, or that may reasonably be expected to encourage or lead to a Competing Proposal, even if:

- the actual, proposed or Potential Competing Proposal was not directly or indirectly solicited, invited, encouraged or initiated by OreCorp or any of its representatives; or
- the Competing Proposal has been publicly announced.

(iii) No due diligence obligation

Subject to a fiduciary out exception, during the Exclusivity Period, OreCorp and its representatives must not directly or indirectly make available to any Third Party, or cause or permit any Third Party to receive, any non-public information relating to any member of the OreCorp Group or their respective businesses or operations that may reasonably be expected to assist such Third Party in formulating, developing or finalising, or assisting in the formulation, development or finalisation of, a Competing Proposal.

(iv) Matching right

During the Exclusivity Period, before:

- (A) any member of the OreCorp Group enters into any agreement pursuant to which a third party or OreCorp proposes to undertake or give effect to a Competing Proposal; or
- (B) any member of the OreCorp Board changes, withdraws, modifies, revises or qualifies their recommendation in favour of the Offer in response to or in connection with an actual Competing Proposal,

the following conditions must be satisfied:

- (C) the OreCorp Board, acting in good faith, must determine that the Competing Proposal is a Superior Proposal and that a failure to enter into an agreement to give effect to it would likely breach the fiduciary or statutory duties of the members of the OreCorp Board;
- (D) OreCorp has provided Silvercorp with the material terms and conditions of the Competing Proposal (including the price, conditions precedent, timetable, break fee or reimbursement fee and the identity of the third party), as well as notification of the OreCorp Board's determination referred to in (C) and reasons for that determination;
- (E) for at least 5 Business Days after the provision of the above information, Silvercorp and OreCorp have negotiated in good faith, to the extent Silvercorp wishes to negotiate and make itself reasonably available to negotiate, to enable Silvercorp to provide an equivalent or superior proposal to the terms of the Competing Proposal;
- (F) by the expiry of the negotiation period, OreCorp has received a written proposal from Silvercorp to improve the Offer Consideration or otherwise alter the terms of the Offer (**Silvercorp Counterproposal**), and OreCorp (acting reasonably and in good faith, after receiving written advice from its external legal advisers and advice from its financial advisers) has determined as soon as reasonably practicable (and in any event within 4 Business Days of receiving the Silvercorp Counterproposal), that the Silvercorp Counterproposal would not produce an equivalent or superior outcome for OreCorp Shareholders as compared to the Competing Proposal, taking into account all terms and conditions and other aspects of both proposals, and that the failure to take an action

specified in (A) or (B) above would continue to breach the fiduciary or statutory duties of the members of the OreCorp Board; and

(G) OreCorp has complied with its obligations to:

- (aa) procure that the OreCorp Board considers the Silvercorp Counterproposal and makes a determination in the manner contemplated above as to whether the Silvercorp Counterproposal would provide an equivalent or superior outcome to OreCorp Shareholders as compared with the Competing Proposal;
- (ab) notify Silvercorp of the determination in writing, stating reasons for that determination; and
- (ac) if the determination is that the Silvercorp Counterproposal would provide an equivalent or superior outcome to OreCorp Shareholders as compared with the Competing Proposal, then for a period of not less than 2 Business Days OreCorp and Silvercorp must use their best endeavours to agree the transaction documentation required to implement the Silvercorp Counterproposal as soon as reasonably practicable, and OreCorp must use its best endeavours to procure that the OreCorp Board unanimously recommend that OreCorp Shareholders vote in favour of the Silvercorp Counterproposal (subject to the Independent Expert concluding it is reasonable to OreCorp Shareholders and there being no further Superior Proposal).

(e) **Break Fee**

OreCorp have agreed to compensate Silvercorp \$2,840,976 where, among other things:

- Competing Proposal is announced or made and, within 12 months after the date of the announcement, a Third Party completes a Competing Proposal;
- any OreCorp Director fails to recommend the Offer, changes, withdraws, modifies, revises or qualifies their support for the Offer or their recommendation that OreCorp Shareholders accept the Offer, or makes a public statement indicating that they no longer recommend the Offer or recommend that OreCorp Shareholders accept the Offer, or otherwise publicly supports or endorses, a Competing Proposal. However, none of these circumstances will trigger the Break Fee where this is after the Independent Expert's Report concludes that the Offer is not reasonable to OreCorp Shareholders (other than where the reason for this conclusion or amended conclusion is wholly or in part the existence of a Competing Proposal), or in circumstances where OreCorp is entitled to terminate the Bid Implementation Deed on the basis of (i) a material breach of the Bid Implementation Deed by Silvercorp; (ii) a material breach of a material warranty given by Silvercorp or (iii) Silvercorp withdraws the Offer, the Offer lapses or do not proceed for any reason (other than where the circumstances giving rise to the right of termination arose as a result of any act or omission that could have been prevented by OreCorp), the Offer has not become or been declared unconditional within 6 months of the date of the Bid Implementation Deed, or a Court or Government Agency has issued a final ruling to permanently restrain or prohibit the Offer);
- Silvercorp validly terminates the Bid Implementation Deed on the basis of a material breach of the Bid Implementation Deed by OreCorp or a material breach of a material warranty given by OreCorp, or the Offer lapses or do not

proceed for any reason other than as a consequence of Silvercorp's breach of the Bid Implementation Deed and where the circumstances giving rise to the right of termination arose as a result of any act or omission that could have been prevented by OreCorp.

The Break Fee is the sole and exclusive remedy available to Silvercorp in connection with any event or occurrence listed above and OreCorp is not liable for any loss or damage arising in connection with any such event or occurrence other than for any liability that it may have to pay Silvercorp the Break Fee.

(f) **Representations and Warranties**

Under the Bid Implementation Deed, OreCorp and Silvercorp provide a range of representations and warranties in relation to their respective organisations and operations to the other. The representations and warranties are qualified by public disclosures and certain other information provided by each party to the other before the date of the Bid Implementation Deed.

(g) **Termination rights**

The Bid Implementation Deed may be terminated by either party if:

- the other party has materially breached the Bid Implementation Deed, provided that the breach is material in the context of the Offer (taken as a whole), the party seeking to terminate is not in material breach of the Bid Implementation Deed and has given written notice to the other setting out the relevant circumstances and stating an intention to terminate and the other party has failed to remedy the breach within 10 Business Days; or
- there has been a material breach of a material warranty given by the other party, provided that the party seeking to terminate has given notice to the other setting out the relevant circumstances and stating an intention to terminate, the relevant breach continues to exist for 10 Business Days and the relevant breach is material in the context of the Offer (taken as a whole).

Subject to first complying with its obligations with respect to matching rights, OreCorp may terminate the Bid Implementation Deed by written notice to Silvercorp if OreCorp has received a Competing Proposal and the OreCorp Board has determined that the Competing Proposal constitutes a Superior Proposal.

Silvercorp may terminate the Bid Implementation Deed if a member of the OreCorp Board:

- fails to recommend that OreCorp Shareholders to accept the Offer in the manner contemplated by the Bid Implementation Deed;
- changes, withdraws, modifies, revises or qualifies their recommendation of the Offer in the manner contemplated by the Bid Implementation Deed; or
- makes a public statement indicating that they no longer recommend the Offer or that they recommend a Competing Proposal, or otherwise publicly supports or endorses a Competing Proposal.

Either Silvercorp or OreCorp may terminate the Bid Implementation Deed if:

- Silvercorp withdraws the Offer as permitted by the Corporations Act;
- the Offers lapse or do not proceed for any reason, including non-fulfilment of an Offer Condition which non-fulfilment is not waived by Silvercorp (provided in the case of termination by Silvercorp, that the Offer lapse or do not

proceed for one or more reasons other than as a consequence of Silvercorp's breach of this deed);

- the Offers have not become or been declared unconditional within 6 months of the date of this deed; or
- or a Court or Government Agency has issued a final ruling to permanently restrain or prohibit the Offer.

12.2 Summary of Options Acquisition Deed

Silvercorp has agreed to seek to acquire, subject to the satisfaction of the Minimum Acceptance Condition and the Offer becoming unconditional, all of the OreCorp Options for the Ascribed Value by entering into an Options Acquisition Deed with each of the holders of OreCorp Options.

If an Options Acquisition Deed is executed between Silvercorp and the relevant holder of OreCorp Options, the acquisition of the relevant OreCorp Options must be completed within 5 Business Days from the later of the date the Offer becoming unconditional and the date of the relevant Option Acquisition Deed.

OreCorp has agreed to take all steps reasonably necessary to ensure that, by no later than 7 Business Days after the date of the Bid Implementation Deed, each holder of the OreCorp Options has duly executed an Options Acquisition Deed with Silvercorp.

12.3 Date for determining holders of OreCorp Shares

For the purposes of section 633 of the Corporations Act, the date for determining the people to whom information is to be sent under items 6 and 12 of section 633(1) is the Register Date.

12.4 Silvercorp's interests in OreCorp securities

(a) Silvercorp's interests in OreCorp Shares

As at the date of this Bidder's Statement and the date of the Offer, Silvercorp has a Relevant Interest in 73,889,007 OreCorp shares and has voting power in OreCorp of 15.74%.

(b) Acquisitions of OreCorp Shares by Silvercorp or its associates

Placement

Concurrent with entering into the Scheme Implementation Deed on 5 August 2023, Silvercorp and OreCorp entered into a subscription agreement, under which OreCorp issued 70,411,334 OreCorp Shares to Silvercorp at a price of A\$0.40 per OreCorp Share for aggregate proceeds of approximately A\$28 million (**Placement**). The Placement occurred in two tranches: the first tranche (for aggregate proceeds of A\$18 million) completed on 9 August 2023 and the second tranche (for aggregate proceeds of approximately A\$10 million) completed on 16 August 2023.

Following completion of the Placement, Silvercorp held a Relevant Interest in 70,411,334 OreCorp Shares, representing 15% of the total OreCorp Shares on issue.

Proceeds from the Placement are being used on resettlement activities as contemplated in the Resettlement Action Plan, facilitating the prompt development of the Nyanzaga Project.

Under the subscription agreement, Silvercorp has been granted a participation right, whereby any time that Silvercorp holds a Relevant Interest in at least 10% of all OreCorp Shares on issue, OreCorp agrees not to make any additional issue of

OreCorp Shares or other equity securities without first giving Silvercorp reasonable notice of the proposed issue and the opportunity to participate at least pro-rata in that issue on the same terms as available to other participating parties. Further, if the Scheme Implementation Deed is terminated in accordance with its terms, then for so long as Silvercorp holds a Relevant Interest in at least 15% of the total OreCorp Shares on issue, Silvercorp may nominate one person to be appointed as an OreCorp Director. Notwithstanding the termination of the Scheme Implementation Deed, Silvercorp has agreed that, under the Bid Implementation Deed, it will not exercise this right to appoint an OreCorp Director unless the Bid Implementation Deed is terminated in accordance with its terms.

On-market purchase

On 20 November 2023, 21 November 2023, 30 November 2023, 21 December 2023 and 22 December 2023, Silvercorp acquired 3,477,673 OreCorp Shares on market at the price between A\$0.48 and A\$0.51 per OreCorp Share.

No other acquisition

Other than the OreCorp Shares acquired by Silvercorp noted in this section 12.4, neither Silvercorp, or any of its Associates, have provided, or agreed to provide consideration for OreCorp Shares during the four months ending on the day immediately before the date of this Bidder's Statement and the date of the Offer.

(c) Highest prices paid for OreCorp Shares by Silvercorp or its Associates

The highest price paid for OreCorp Shares by Silvercorp or its Associates during the four months before the date of this Bidder's Statement and the date of the Offer was A\$0.51 per OreCorp Share under an on-market purchase on 22 December 2023.

12.5 No pre-Offer benefits

During the period of four months before the date of this Bidder's Statement and the date of this Offer, neither Silvercorp nor any of its Associates gave, or offered to give, or agreed to give, a benefit to another person which was likely to induce the other person or and Associate of the other person to:

- accept the Offer; or
- dispose of OreCorp Shares,

and which is not offered to all holders of OreCorp Shareholders.

12.6 No escalation agreements

Neither Silvercorp nor any associate of Silvercorp has entered into any escalation agreement that is prohibited by section 622 of the Corporations Act.

12.7 FCC intervention

Silvercorp lodged an application to the FCC on 4 September 2023 for a merger approval for the proposed acquisition of control of OreCorp. As announced by OreCorp on 7 November 2023, Silvercorp had obtained the unconditional merger approval granted by the FCC.

As the Existing Approval was issued for the proposed acquisition of control of OreCorp, Silvercorp and OreCorp's understanding was that the Existing Approval would continue to apply to the Offer.

After Silvercorp and OreCorp executed the Bid Implementation Deed and announced the Offer on 27 December 2023, Silvercorp and OreCorp notified the FCC in relation to the

change of transaction structure and that the consideration offered and the proposed change of control effect of the transaction remained unchanged. However, following receipt of the notice, the FCC informed Silvercorp and OreCorp that the FCC considers a new merger approval may be required in respect of the Offer.

If the FCC takes the view that the Existing Approval is not valid for the change of control of OreCorp associated with the Offer, and does not grant a new approval in relation to the Offer, the completion of the Offer or the acquisition of OreCorp Shares by Silvercorp will be restrained, impeded, prohibited or otherwise have a material adverse effect on the making or completion of the Offer.

In those circumstances, the Offer Condition in paragraph (c) of Appendix 2 of the Bidder's Statement (the No Regulatory Action Condition) will be breached, as the action by the FCC could reasonably be expected to restrain, impede or prohibit or otherwise have a material adverse effect on the making or completion of the Offer.

Upon becoming aware of the FCC's position, Silvercorp and OreCorp submitted an updated copy of the initial application for the Existing Approval to the FCC, requesting the FCC to review the information provided in relation to the changed transaction structure.

Silvercorp, together with OreCorp, are engaging with the FCC in order to seek a confirmation from the FCC that the Existing Approval applies to the Offer or alternatively, provide a new approval for the Offer. Silvercorp and OreCorp believe that, given the Existing Approval, this confirmation of application of Existing Approval or new Offer Approval will be completed within a shorter timeframe than typically required for this process (as an example, the public notice period has been reduced from 14 to 7 days). Accordingly, Silvercorp and OreCorp's current expectation is to receive the FCC decision by mid-February 2024.

In light of the circumstances, Silvercorp:

- undertakes not to exercise any rights it has in relation to the FCC intervention under the Offer or the Bid Implementation Deed unless and until the FCC has made a decision that would restrain, impede or prohibit or otherwise have a material adverse effect on the making or completion of the Offer; and
- intends to keep the Offer open until at least 23 February 2024 (to allow the FCC to make a determination in relation to the Offer Approval, although Silvercorp reserves the right not to extend the Offer Period if FCC has not made such determination by the end of the Offer Period).

12.8 Consents

Each of the following parties has given and has not, before the lodgement of this Bidder's Statement with the Australian Securities and Investments Commission, withdrawn its consent to be named in this Bidder's Statement in the form and context in which it is named:

- Canaccord Genuity Corp. as financial adviser to Silvercorp;
- King & Wood Mallesons as Australian legal adviser to Silvercorp;
- Computershare as Australian share registry to Silvercorp; and
- OreCorp, in relation to the status of FCC intervention set out in the Letter from Silvercorp Chairman and Chief Executive Officer and section 12.7.

Other than as specifically outlined above, each party referred to in this section 12.8 has not caused or authorised the issue of this Bidder's Statement and does not make or purport to make any statement in this Bidder's Statement or any statement on which a statement in this Bidder's Statement is based and takes no responsibility for any part of this Bidder's Statement other than any reference to its name.

This Bidder's Statement also includes statements which are made in, or based on statements made in, documents lodged with ASIC or given to ASX. Under the terms of *ASIC Corporations (Takeover Bids) Instrument 2023/683*, the parties making those statements are not required to consent to, and have not consented to, inclusion of those statements in this Bidder's Statement. If you would like to receive a copy of any of those documents, or the relevant parts of the documents containing the statements, free of charge, during the Offer Period, and within 2 Business Days of the request, please contact the Silvercorp Information Line on 1300 290 691 (within Australia) or +61 2 9066 4081 (outside Australia) between 9:00am and 5:30pm (Sydney time) Monday to Friday, excluding public holidays in Sydney. This line will only be open from the date the Offer opens until one week after it closes.

As permitted by *ASIC Corporations (Consents to Statements) Instrument 2016/72*, this Bidder's Statement may include or be accompanied by certain statements:

- fairly representing a statement by an official person; or
- from a public official document or a published book, journal or comparable publication.

In addition, as permitted by *ASIC Corporations (Consents to Statements) Instrument 2016/72*, this Bidder's Statement contains share price trading data sourced from Capital IQ, Bloomberg and the ASX official website.

12.9 Information in relation to Silvercorp's CIM Mineral Resources and CIM Mineral Reserves

As noted in section 4.2, Silvercorp prepares its CIM Mineral Reserves and CIM Mineral Resources estimates in accordance with NI 43-101, which is different to the reporting standard ordinarily applicable to ASX listed companies, the JORC Code.

The NI 43-101 standards require that CIM Mineral Resource estimates are prepared in accordance with, and have the meaning ascribed by, CIM Standards. The NI 43-101 and the NI 43-101 Companion Policy identifies the Australian JORC Code as an "acceptable foreign code" for the estimation of CIM Mineral Resources and noted that it is substantially similar to the CIM Standards as both are based on and are consistent with the international reporting template published by the Committee for Mineral Reserves International Reporting Standards. Likewise, the ASX Listing Rules classify foreign estimates that have been prepared in accordance with NI 43-101 and the CIM Standards as "qualifying foreign estimates" in Australia.

Cautionary Statement

The qualifying foreign estimates have not been reported in accordance with the JORC Code. A competent person has not done sufficient work to classify the foreign estimates as Mineral Resources or Ore reserves in accordance with the JORC Code. It is uncertain that following evaluation and/or further exploration work that the foreign estimates will be able to be reported as Mineral Resources or Ore Reserves in accordance with the JORC Code.

The technical information contained in this Bidder's Statement relating to Silvercorp's mining projects is governed by NI 43-101 which incorporates the guidelines as set out in the CIM Standards. The CIM Standards are sufficiently similar to the JORC Code for Silvercorp's resources and reserves and as such are quoted as "qualifying foreign estimates" in accordance with Chapter 19 of the ASX Listing Rules. Silvercorp currently has no intention to verify the foreign estimates in accordance with the JORC Code.

Comparison of key terms used in JORC Code, CIM Standards and NI 43-101

Whilst there are some differences in their terminology between the JORC Code and the CIM Standards they share (and require) common themes:

- there must be a very high level of confidence (reliability) in the data used to define the mineral deposit;
- the continuity of mineralisation between observation points (sampling points or drillholes) must be established to a very high standard;
- the quality of sampling data must be of a very high standard; and
- most importantly, the potential development of a deposit with either “Proven” or “Probable” ore reserves must be economic to develop and produce, as determined by engineering and mine design studies.

Refer below for a summary of the various key terms used in each of the JORC Code, CIM Standards and NI 43-101.

JORC Code	CIM Standards
<p>Inferred Mineral Resource</p> <p>An Inferred Mineral Resource is that part of a Mineral Resource for which quantity and grade (or quality) are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade (or quality) continuity. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes.</p> <p>An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to an Ore Reserve. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.</p>	<p>Inferred Mineral Resource</p> <p>An Inferred Mineral Resource is that part of a Mineral Resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade or quality continuity. An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.</p>
<p>Indicated Mineral Resource</p> <p>An Indicated Mineral Resource is that part of a Mineral Resource for which quantity, grade (or quality), densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of Modifying Factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit.</p> <p>Geological evidence is derived from adequately detailed and reliable exploration, sampling and testing gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes, and is sufficient to assume geological and grade (or quality) continuity between points of observation where data and samples are gathered.</p>	<p>Indicated Mineral Resource</p> <p>An Indicated Mineral Resource is that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of Modifying Factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit. Geological evidence is derived from adequately detailed and reliable exploration, sampling and testing and is sufficient to assume geological and grade or quality continuity between points of observation. An Indicated Mineral Resource has a lower level of confidence than that applying to a Measured Mineral Resource and may only be converted to a Probable Mineral Reserve.</p>

JORC Code	CIM Standards
<p>An Indicated Mineral Resource has a lower level of confidence than that applying to a Measured Mineral Resource and may only be converted to a Probable Ore Reserve.</p>	
<p>Measured Mineral Resource</p> <p>A Measured Mineral Resource is that part of a Mineral Resource for which quantity, grade (or quality), densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of Modifying Factors to support detailed mine planning and final evaluation of the economic viability of the deposit.</p> <p>Geological evidence is derived from detailed and reliable exploration, sampling and testing gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes, and is sufficient to confirm geological and grade (or quality) continuity between points of observation where data and samples are gathered.</p> <p>A Measured Mineral Resource has a higher level of confidence than that applying to either an Indicated Mineral Resource or an Inferred Mineral Resource. It may be converted to a Proved Ore Reserve or under certain circumstances to a Probable Ore Reserve.</p>	<p>Measured Mineral Resource</p> <p>A Measured Mineral Resource is that part of a Mineral Resource for which quantity, grade or quality, densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of Modifying Factors to support detailed mine planning and final evaluation of the economic viability of the deposit. Geological evidence is derived from detailed and reliable exploration, sampling and testing and is sufficient to confirm geological and grade or quality continuity between points of observation. A Measured Mineral Resource has a higher level of confidence than that applying to either an Indicated Mineral Resource or an Inferred Mineral Resource. It may be converted to a Proven Mineral Reserve or to a Probable Mineral Reserve.</p>
<p>Ore Reserve</p> <p>An Ore Reserve is the economically mineable part of a Measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted and is defined by studies at Pre-Feasibility or Feasibility level as appropriate that include application of Modifying Factors. Such studies demonstrate that, at the time of reporting, extraction could reasonably be justified.</p> <p>The reference point at which Reserves are defined, usually the point where the ore is delivered to the processing plant, must be stated. It is important that, in all situations where the reference point is different, such as for a saleable product, a clarifying statement is included to ensure that the reader is fully informed as to what is being reported.</p>	<p>Mineral Reserve</p> <p>A Mineral Reserve is the economically mineable part of a measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted and is defined by studies at prefeasibility or feasibility level as appropriate that include application of Modifying Factors. Such studies demonstrate that, at the time of reporting, extraction could reasonably be justified. The reference point at which Mineral Reserves are defined, usually the point where the ore is delivered to the processing plant, must be stated. It is important that, in all situations where the reference point is different, such as for a saleable product, a clarifying statement is included to ensure that the reader is fully informed as to what is being reported. The public disclosure of a Mineral Reserve must be demonstrated by a Pre-Feasibility Study or Feasibility Study.</p>

JORC Code	CIM Standards
<p>Probable Ore Reserve</p> <p>A Probable Ore Reserve is the economically mineable part of an Indicated, and in some circumstances, a Measured Mineral Resource. The confidence in the Modifying Factors applying to a Probable Ore Reserve is lower than that applying to a Proved Ore Reserve.</p>	<p>Probable Mineral Reserve</p> <p>A Probable Mineral Reserve is the economically mineable part of an Indicated, and in some circumstances, a Measured Mineral Resource. The confidence in the Modifying Factors applying to a Probable Mineral Reserve is lower than that applying to a Proven Mineral Reserve.</p>
<p>Proved Ore Reserve</p> <p>A Proved Ore Reserve is the economically mineable part of a Measured Mineral Resource. A Proved Ore Reserve implies a high degree of confidence in the Modifying Factors.</p>	<p>Proven Mineral Reserve (Proved Mineral Reserve)</p> <p>A Proven Mineral Reserve is the economically mineable part of a Measured Mineral Resource. A Proven Mineral Reserve implies a high degree of confidence in the Modifying Factors.</p>

JORC Code	NI 43-101
<p>Competent Person</p> <p>A Competent Person is a minerals industry professional who is a Member or Fellow of The Australasian Institute of Mining and Metallurgy, or of the Australian Institute of Geoscientists, or of a "Recognised Professional Organisation" (RPO), as included in a list available on the JORC and ASX websites. These organisations have enforceable disciplinary processes including the powers to suspend or expel a member.</p> <p>A Competent Person must have a minimum of five years relevant experience in the style of mineralisation or type of deposit under consideration and in the activity which that person is undertaking.</p> <p>If the Competent Person is preparing documentation on Exploration Results, the relevant experience must be in exploration. If the Competent Person is estimating, or supervising the estimation of Mineral Resources, the relevant experience must be in the estimation, assessment and evaluation of Mineral Resources. If the Competent Person is estimating, or supervising the estimation of Ore Reserves, the relevant experience must be in the estimation, assessment, evaluation and economic extraction of Ore Reserves.</p>	<p>Qualified Person</p> <p>A Qualified Person means an individual who (a) is an engineer or geoscientist with a university degree, or equivalent accreditation, in an area of geoscience, or engineering, relating to mineral exploration or mining; (b) has at least five years of experience in mineral exploration, mine development or operation, or mineral project assessment, or any combination of these, that is relevant to his or her professional degree or area of practice; (c) has experience relevant to the subject matter of the mineral project and the technical report; (d) is in good standing with a professional association; and (e) in the case of a professional association in a foreign jurisdiction, has a membership designation that both requires attainment of a position of responsibility in their profession that requires the exercise of independent judgment, and requires a favourable confidential peer evaluation of the individual's character, professional judgement, experience, and ethical fitness a recommendation for membership by at least two peers, and demonstrated prominence or expertise in the field of mineral exploration or mining.</p>

12.10 Qualified person statements

The scientific and technical information relating to Silvercorp's projects contained herein has been reviewed and approved by Guoliang Ma, P. Geo., who is a Qualified Person (**QP**) within the meaning of NI 43-101, and who supervised the preparation of the scientific and technical information of Silvercorp included in this Bidder's Statement. The Qualified Person has verified the information disclosed herein using standard verification processes, including the sampling, preparation, security and analytical procedures underlying such information, and is not aware of any significant risks and uncertainties or any limitations on the verification process that could be expected to affect the reliability or confidence in the information discussed herein.

For more information on Silvercorp's projects, readers should refer to Silvercorp's latest Annual Information Form dated 1 June 2023, and Silvercorp's technical reports available on SEDAR+ website www.sedarplus.ca

The scientific and technical information related to Silvercorp's projects included in this Bidder's Statement are derived from the following technical reports:

- NI 43-101 Technical Report Update on the Ying Ag-Pb-Zn Property in Henan Province, People's Republic of China with the effective date of September 20, 2022 (**Ying 2022 Technical Report**), prepared by AMC Mining Consultants (Canada) Ltd. Qualified Persons as defined by National Instrument 43-101 responsible for the preparation of the Ying 2022 Technical Report were H. Smith, P.Eng., G. Vartell, P.Geo. and S. Robinson, P.Geo., MAIG of AMC Mining Consultants (Canada) Ltd.; R. Webster, MAIG and R. Chesher, FAusIMM of AMC Consultants Pty Ltd.; A. Riles, MAIG of Riles Integrated Resource Management Pty Ltd., and Guoliang Ma, P.Geo. of Silvercorp Metals Inc. Guoliang Ma, P.Geo. has reviewed and consented to the technical information in this Bidder's Statement and believes it fairly and accurately represents the information in the Ying 2022 Technical Report that supports the disclosure. For a more detailed overview of the Ying Mining District, please refer to the Ying 2022 Technical Report, which is available on SEDAR+ at www.sedarplus.ca.
- NI 43-101 Technical Report Update on the Gaocheng Ag-Zn-Pb Project in Guangdong Province, People's Republic of China with the effective date March 31, 2021 (**GC 2021 Technical Report**), prepared by AMC Mining Consultants (Canada) Ltd. Qualified Persons as defined by National Instrument 43-101 responsible for the preparation of the GC 2021 Technical Report were D. Nussipakynova, P.Geo., H. A. Smith, P.Eng., A. A. Ross, P.Geo., and S. Robinson, P.Geo., MAIG. of AMC Mining Consultants (Canada) Ltd.; A. Riles, MAIG., of Riles Integrated Resource Management Pty Ltd, and Guoliang Ma, P.Geo. of Silvercorp Metals Inc. Guoliang Ma, P.Geo. has reviewed and consented to the technical information in this Bidder's Statement and believes it fairly and accurately represents the information in the GC 2021 Technical Report that supports the disclosure. For a more detailed overview of the GC Mine, please refer to the GC 2021 Technical Report, which is available on SEDAR+ at www.sedarplus.ca.

12.11 Disclosure of interests of certain persons

Other than as set out elsewhere in this Bidder's Statement no:

- director of Silvercorp;
- person named in this Bidder's Statement as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Bidder's Statement; or
- promoter of Silvercorp; or

(together, the **Interested Persons**) holds at the date of this Bidder's Statement or held at any time during the last two years, any interest in:

- the formation or promotion of Silvercorp;
- property acquired or proposed to be acquired by Silvercorp in connection with its formation or promotion, or the offer of Silvercorp Shares under the Offer; or
- the offer of Silvercorp Shares under the Offer.

12.12 Fees, interests of advisers and other payments associated with the Offer

Other than as set out below or elsewhere in this Bidder's Statement, no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given:

- to a director of Silvercorp to induce them to become, or to qualify as, a director of Silvercorp; or
- for services provided by an Interested Person in connection with the formation or promotion of Silvercorp or the offer of Silvercorp Shares under the Offer.

Canaccord Genuity Corp. has acted as financial adviser to Silvercorp in connection with the Offer and is entitled to receive US\$2.3 million together with ongoing fees on a normal commercial basis.

King & Wood Mallesons has acted as legal adviser to Silvercorp in connection with the Offer and is entitled to receive professional fees for these services estimated to be A\$0.5 million together with ongoing fees on a normal commercial basis.

Computershare has engaged to provide takeover register logistic services and other services in connection with the Offer and is entitled to receive professional fee for these services estimated to be A\$0.2 million together with ongoing fees on a normal commercial basis.

12.13 Expiry date

No securities will be issued on the basis of this Bidder's Statement after the date which is 13 months after the date of the original Bidder's Statement, being 27 December 2023.

12.14 Foreign jurisdiction

The Offer is being proposed and will be conducted in accordance with the laws in force in Australia. No action has been taken to register or qualify the Silvercorp Shares or otherwise permit a public offer of Silvercorp Shares in any jurisdiction outside Australia.

Please refer to the "Important Notice" section for notice to foreign OreCorp Shareholders.

12.15 Ineligible Foreign Shareholder and Unmarketable Parcel Shareholders

Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders will not be entitled to receive Silvercorp Shares under the Offer. Instead, Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders will receive the net proceeds of the sale (after deducting the applicable brokerage (applied at market standard rates), taxes and charges) of the Silvercorp Shares they would have otherwise been entitled to.

Please refer to Clauses 2.2 and 6.3 of the Offer Terms in Appendix 1 for further details.

12.16 Social security and superannuation implications of the Offer

Acceptance of the Offer may have implications under your superannuation arrangements or on your social security entitlements. If in any doubt, you should seek specialist advice.

12.17 Other material information

Except as disclosed in this Bidder's Statement, there is no other information that is:

- (a) material to the making of a decision by a OreCorp Shareholder whether or not to accept the Offer; and
- (b) known to Silvercorp,

and has not previously been disclosed to OreCorp Shareholders.

13 Glossary

13.1 Definitions

The following defined terms are used throughout this Bidder's Statement unless the contrary intention appears.

Acceptance Date means the day that is 14 days after the Offer opens, being a day that is more than 3 months after the announcement of the Scheme.

Acceptance Form means your personalised form of acceptance and transfer accompanying the Offer or any replacement or substitute acceptance form provided by or on behalf of Silvercorp.

Additional OreCorp Due Diligence Information means all written information (including in electronic form) relating to the business, operations, assets, liabilities, financial position, performance and prospects of OreCorp provided by OreCorp or its Representatives to Silvercorp or its Representatives in the period between 5 August 2023 and the date of the Bid Implementation Deed.

Ascribed Value means:

- (a) in relation to the OreCorp \$0.9066 Option, A\$0.03 per OreCorp \$0.9066 Option; and
- (b) in relation to the OreCorp \$0.9906 Options, A\$0.02 per OreCorp \$0.9906 Option.

Associate has the meaning given in section 12(2) of the Corporations Act.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited or the market operated by it, as the context requires, as appropriate.

ASX Settlement Operating Rules means the settlement rules of ASX.

Bid Implementation Deed means the bid implementation deed entered into between OreCorp and Silvercorp on 27 December 2023.

Bidder's Statement means this document, being the replacement statement of Silvercorp under Part 6.5 Division 2 of the Corporations Act (as modified by *ASIC Corporations (Replacement Bidder's and Target's Statements) Instrument 2023/688*) relating to the Offer.

Broker means a person who is a share broker and a participant in CHES.

Business Corporations Act means the Business Corporations Act (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that act.

Business Day means a day (other than a Saturday, Sunday or public holiday) on which banks are generally open in Perth, Western Australia and Vancouver, Canada for normal business.

BVI means British Virgin Islands.

BYP Mine has the meaning given in section 4.3.

Cash Consideration means the cash amount (if any) that an OreCorp Shareholder is entitled to receive under the Offer as part of the consideration under the Offer determined in accordance with clause 2.1 of the Offer Terms.

CHESS means the Clearing House Electronic Subregister System, which provides for electronic share transfer in Australia.

CHESS Holding means a holding of OreCorp Shares on the CHESS subregister of OreCorp.

CIM and **CIM Council** means Canadian Institute of Mining, Metallurgy and Petroleum Council.

CIM Mineral Reserve has the meaning given to the term “mineral reserve” in the CIM Standards.

CIM Mineral Resource has the meaning given to the terms “mineral resource” in the CIM Standards.

CIM Standards means the Definition Standards for Mineral Resources & Mineral Reserves adopted by CIM Council on 19 May 2014, which were adopted by the Canadian Securities Administrators’ (National Instrument 43-101 Standards of Disclosure for Mineral Projects).

Closing Date means 23 February 2024.

COG means cut-off grade.

Competing Proposal means any proposal, offer, expression of interest, agreement, arrangement or transaction (whether by way of takeover bid, scheme of arrangement, reverse takeover, capital reduction, buy-back, sale, lease, purchase or assignment of assets, sale or issue of securities, strategic alliance, joint venture, partnership, dual listed companies structure, economic or synthetic merger or combination or other transaction or arrangement) which, if entered into or completed, would result in a Third Party whether alone or together with an Associate:

- (a) directly or indirectly acquiring or being entitled to acquire a Relevant Interest or any other direct or indirect interest (including but not limited to, a long position under the Takeover Panel Guidance Note 20) in more than 20% of the shares of OreCorp or any other member of the OreCorp Group whose assets represent 20% or more of the total consolidated assets of the OreCorp Group;
- (b) directly or indirectly acquiring or being entitled to acquire an interest in more than 20% of the Nyanzaga Project; or
- (c) acquiring Control of OreCorp or merging or amalgamating with OreCorp or any other member of the OreCorp Group whose assets represent 20% or more of the total consolidated assets of the OreCorp Group,

or which would otherwise prejudice or jeopardise, or might reasonably be expected to prejudice or jeopardise the Transaction.

Computershare means Computershare Investor Services Pty Ltd.

Control has the meaning given in section 50AA of the Corporations Act.

Controlling Participant means the Broker or Participant who is designated as the controlling participant for shares in a CHESS Holding in accordance with the ASX Settlement Operating Rules.

Corporate Governance Committee means the Corporate Governance Committee of the Silvercorp Board.

Corporations Act means the *Corporations Act 2001* (Cth).

COSO means the Committee of Sponsoring Organizations of the Treadway Commission.

DCG Mine has the meaning given in section 4.2.

Encumbrance means any security for the payment of money or performance of obligations, including a mortgage, charge, lien, pledge, trust, power or title retention or flawed deposit arrangement and any “security interest” as defined in sections 12(1) or (2) of the PPSA, or any agreement to create any of them or allow them to exist.

Existing Approval means the unconditional merger approval granted by the FCC on 3 November 2023 for the proposed acquisition of control of OreCorp by Silvercorp.

Fairly Disclosed means disclosed in sufficient detail to enable a reasonable, diligent and sophisticated recipient of the relevant information who is experienced in transactions similar to the Transaction or experienced in a business similar to the business of the OreCorp Group or Silvercorp Group (as applicable), to identify the nature and scope of the relevant fact, matter, circumstance or event.

FCC means the Tanzanian Fair Competition Commission.

Fortune Copper means Fortune Copper Limited.

Fiscal or **Fiscal Year**, in relation to Silvercorp, means the fiscal year ended 31 March of the relevant year.

Fortune Mining means Fortune Mining Limited (a British Virgin Islands entity).

g/t means grams per tonne.

GC Mine has the meaning given in section 4.1.

Government Agency means any foreign or Australian government, any department, officer or minister of any government and any governmental, semi-governmental, administrative, fiscal, judicial or quasi-judicial agency, authority, board, commission, tribunal or entity, and includes any Relevant Exchange, ASIC, the Takeovers Panel, FIRB, FCC, the Australian Taxation Office, the Business Registrations and Licencing Agency of Tanzania, the Tanzanian Mining Commission and any state or territory revenue offices.

Guangdong Found means Guangdong Found Mining Co. Ltd.

Henan Found means Henan Found Mining Co. Ltd.

Henan Huawei means Henan Huawei Mining Co. Ltd.

HIN means a Holder Identification Number, which is the number that starts with an “X”, allocated by your Controlling Participant, to identify a OreCorp Shareholder with a CHES Holding.

HPG Mine has the meaning given in section 4.2.

HZG Mine has the meaning given in section 4.2.

Independent Expert means independent expert appointed by OreCorp in relation to the Offer.

Ineligible Foreign Shareholder means an OreCorp Shareholder that is a US Purchaser or whose address shown in the Register is a place outside:

- (a) Australia and its external territories;
- (b) New Zealand;
- (c) the United Kingdom;
- (d) Canada; and

(e) such other jurisdiction as agreed by the parties,

unless Silvercorp (in consultation with OreCorp) determines that it is lawful and not unduly onerous or impracticable to issue that OreCorp Shareholder with Silvercorp Shares under the Offer.

Interested Person has the meaning given in section 12.11.

IRR means internal rate of return.

Issuer Sponsored Holding means a holding of OreCorp Shares on OreCorp's issuer sponsored subregister.

JORC Code means the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2012, as updated from time to time.

Koz means one thousand ounces.

Kuanping Project has the meaning given in section 4.3.

Listing Rules means the Listing Rules of the ASX and any other applicable rules of ASX modified to the extent of any express written waiver by ASX.

LME Mine has the meaning given in section 4.2.

LMW Mine has the meaning given in section 4.2.

LOM means life-of-mine.

Material Adverse Change means the events and circumstances described in paragraph (d) of Appendix 2.

Merged Group means the Silvercorp Group, including the OreCorp Group, as it exists following the Offer, should the Offer be successful and OreCorp becomes a wholly-owned Subsidiary of Silvercorp.

Minimum Acceptance Condition means the Offer Condition in paragraph (a) of Appendix 2.

Moz means one million ounces.

MRE has the meaning given in section 6.3.

Mt means millions of tonnes.

Mtpa means millions of tonnes per annum.

New Infini means New Infini Silver Inc..

New Infini Shares means common shares in New Infini.

New Pacific Metals means New Pacific Metals Corp. a Canadian public company listed on the TSX under the symbol "NUAG" and the NYSE American under the symbol "NEWP".

New Silvercorp Share means a Silvercorp Share to be issued as Share Consideration under the Offer.

NI 43-101 means National Instrument NI 43-101 Standards of Disclosure for Mineral Projects.

NI 52-110 means National Instrument 52-110 Audit Committees.

NI 58-101 means National Instrument 58-101 Disclosure of Corporate Governance Practices.

NI 62-104 means National Instrument 62-104 Take-Over Bids and Issuer Bids.

NMCL means Nyanzaga Mining Company Limited, a private limited company incorporated and organised under the laws of the United Republic of Tanzania with registered number 60002.

No Regulatory Action Condition means the Offer Condition in paragraph (c) of Appendix 2.

Nominee means the nominee appointed by Silvercorp approved by ASIC to sell the Silvercorp Shares that Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders would otherwise be entitled to and pay to the Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders the net proceeds received (after deducting the applicable brokerage (applied at market standard rates), taxes and charges) in accordance with the Offers.

NP 58-201 means National Policy 58-201 Corporate Governance Guidelines.

NPV means net present value.

Nyanzaga Project or **Project** means the Nyanzaga gold project in the Sengerema District, Mwanza Region, northwest Tanzania.

NYSE American means the NYSE American stock exchange.

Offer means the offer by Silvercorp on the Offer Terms to acquire OreCorp Shares (and for the avoidance of doubt includes each such offer made to an individual OreCorp Shareholder pursuant to that offer).

Offer Announcement Date means the date of the first announcement of the Offer, being 27 December 2023.

Offer Approval has the meaning given in the Letter from Silvercorp Chairman and Chief Executive Offer (on page 3 of this Bidder's Statement).

Offer Conditions means the conditions to the Offer as set out in Appendix 2.

Offer Consideration is defined in section 2.1 of the Offer Terms.

Offer Period means the period commencing on 16 January 2024 and ending at 7.00pm (Sydney time) on 23 February 2024, or such later date to which the Offer has been extended.

Offer Terms means the terms and conditions of the Offer set out in Appendices 1 and 2 to this Bidder's Statement.

Omnibus Plan means Silvercorp's amended and restated share-based compensation plan.

OreCorp means OreCorp Limited ACN 147 917 299.

OreCorp \$0.9066 Option means OreCorp Options each with an exercise price of \$0.9066.

OreCorp \$0.9906 Options means OreCorp Options each with an exercise price of \$0.9906.

OreCorp Board means the board of directors of OreCorp.

OreCorp Data Room Information means:

- (a) the written information and documents made available to Silvercorp or its Representatives on or before 4 August 2023 in the electronic data room assembled by OreCorp, an index to which has been initialled for the purposes of identification on behalf of each of Silvercorp and OreCorp; and

- (b) the written answers or written confirmations provided to Silvercorp or its Representatives on or before 4 August 2023 in response to requests for information, copies of which have been compiled and initialled for the purposes of identification on behalf of each of Silvercorp and OreCorp.

OreCorp Directors means the directors of OreCorp as at the date of this Bidder's Statement, whose names are set out in section 6.6.

OreCorp Group means OreCorp and each of its Subsidiaries.

OreCorp Options means the 3,725,257 options to subscribe for new OreCorp Shares outstanding at the date of this Bidder's Statement.

OreCorp Performance Right means an entitlement granted by OreCorp for the holder to be allocated an OreCorp Share subject to the satisfaction of any applicable vesting conditions.

OreCorp Shareholders means holders of OreCorp Shares.

OreCorp Shares means fully paid ordinary shares in the capital of OreCorp.

OreCorp Tanzania means OreCorp Tanzania Limited, a private limited company incorporated and organised under the laws of the United Republic of Tanzania with registered number 105422.

Oz means an ounce;

Participant means a participant under the ASX Settlement Operating Rules.

PCAOB means the Public Company Accounting Oversight Board (United States).

Perseus means Perseus Mining Limited ACN 106 808 986.

Placement has the meaning given in section 12.4.

Prescribed Occurrence means the events described in paragraph (e) of Appendix 2.

Register means the register of OreCorp Shares maintained by Automic Pty Ltd on behalf of OreCorp.

Register Date means the date set by Silvercorp under section 633(2) of the Corporations Act, being 7.00pm (Sydney time) on 27 December 2023.

Related Body Corporate has the meaning given in the Corporations Act.

Related Entities means:

- (a) in respect of Silvercorp, an entity that:

- (i) Controls Silvercorp;
- (ii) is under the Control of Silvercorp; or
- (iii) is under the Control of another entity that also Controls Silvercorp,

but does not, for the avoidance of doubt, include New Pacific Metals Corp. or Tincorp Metals Inc.; and

- (b) in respect of OreCorp, an entity that is under the Control of OreCorp.

Relevant Exchange means in the case of:

- (a) OreCorp, ASX; and
- (b) Silvercorp, TSX and NYSE American.

Relevant Interest has the meaning given in the Corporations Act as modified by any class order or other instrument executed by ASIC that applies to OreCorp.

Representative means in relation to a person, any director, officer or employee or agent of, and any accountant, auditor, financier, financial adviser, legal adviser, technical adviser or other expert adviser or consultant to, that person.

Rights means all accretions, rights or benefits of whatever kind attaching to or arising from OreCorp Shares directly or indirectly after the date of this Bidder's Statement, including, but not limited to, all dividends or other distributions and all rights to receive any dividends or other distributions, or to receive or subscribe for shares, stock units, notes, bonds, options or other securities, declared, paid or made by OreCorp or any of its subsidiaries.

Scheme means the scheme of arrangement under Part 5.1 of the Corporations Act under which all of the OreCorp Shares (except for the OreCorp Shares held by Silvercorp) were proposed to be transferred to Silvercorp for the Scheme Consideration.

Scheme Booklet means the document entitled 'Scheme Booklet for the acquisition by scheme of arrangement of all of the issued shares in OreCorp Limited ACN 147 917 299 (other than the Excluded Shares) by Silvercorp Metals Inc.' registered with ASIC on 3 November 2023 in relation to the Scheme.

Scheme Consideration means the consideration payable by Silvercorp for the transfer of each OreCorp Share under the Scheme, being the A\$0.19 cash plus 0.0967 Silvercorp Shares (or Silvercorp CDIs).

Scheme Implementation Deed means the scheme implementation deed entered into between OreCorp and Silvercorp on 5 August 2023 as amended and reinstated on 23 November 2023 and terminated on 27 December 2023.

SGX Mine has the meaning given in section 4.2.

Share Consideration means the Silvercorp Shares (if any) that an OreCorp Shareholder is entitled to receive under the Offer as part of the consideration under the Offer determined in accordance with section 2.1 of the Offer Terms.

Silvercorp means Silvercorp Metals Inc. BN 131033920 / ARBN 671 900 020.

Silvercorp Articles means the articles of Silvercorp.

Silvercorp Board means the board of directors of Silvercorp.

Silvercorp CDI means a CHESS Depositary Interest, being a unit of beneficial ownership in a Silvercorp Share (in the form of a CHESS Depositary Interest) registered in the name of CHESS Depositary Nominees Pty Limited (ACN 071 346 506).

Silvercorp Counterproposal has the meaning given in section 12.1.

Silvercorp Directors means the directors of Silvercorp as at the date of this Bidder's Statement, whose names are set out in section 4.6.

Silvercorp Group means Silvercorp and its Related Entities (but excluding OreCorp Group Members) and **Silvercorp Group Member** means any of them.

Silvercorp Options has the meaning given in section 5.1.

Silvercorp PSUs has the meaning given in section 5.5.

Silvercorp RSUs has the meaning given in section 5.1.

Silvercorp Share means a fully paid common share in Silvercorp.

Silvercorp Shareholder means a person who is registered in the register of Silvercorp Shares as the holder of one or more Silvercorp Shares from time to time.

Silvercorp Share Repurchase Program has the meaning given in section 5.1.

Silvercorp's Takeover Transferee Holding means the holding of OreCorp Shares on the CHES subregister of Silvercorp established for the purposes of the Offer.

SMCL means Sotta Mining Corporation Limited, a joint venture company incorporated by the Government of the United Republic of Tanzania and NMCL under the laws of the United Republic of Tanzania with registered number 154374027.

SML has the meaning given in section 6.2.

SRN means a Security Reference Number, which is the number which starts with an "I", allocated by OreCorp to identify a OreCorp Shareholder with an Issuer Sponsored Holding.

Stock Exchange Approvals Condition means Offer Condition set out in clause (b) of Appendix 2.

Subsidiary of an entity means another entity which:

- (a) is a subsidiary of the first entity within the meaning of the Corporations Act; or
- (b) is part of the consolidated entity constituted by the first entity and the entities it is required to include in the consolidated financial statements it prepares, or would be if the first entity was required to prepare consolidated financial statements.

Superior Proposal means a written bona fide Competing Proposal received after the date of the Bid Implementation Deed that:

- (a) does not result from a breach by OreCorp of any of its obligations under clause 6 of the Bid Implementation Deed or from any act by a member of the OreCorp Group which, if done by OreCorp, would constitute a breach of clause 6 of the Bid Implementation Deed by OreCorp; and
- (b) the OreCorp Board determines, acting in good faith and after having taken advice from its external financial and legal advisers:
 - (i) is reasonably capable of being valued and implemented within a reasonable timeframe in accordance with its terms; and
 - (ii) would, if completed substantially in accordance with its terms, be more favourable to OreCorp Shareholders than the Transaction or the Silvercorp Counterproposal (as the case may be),

taking into account (as a whole), all aspects of the Competing Proposal and the Transaction or the Silvercorp Counterproposal (as the case may be), including their respective conditions precedent, the identity and reputation of the person making the Competing Proposal and all relevant legal, regulatory and financial matters (including the value and type of consideration, funding, any timing considerations, any conditions precedent or other matters affecting the probability of the proposal being completed).

Target's Statement means the target's statement to be issued by OreCorp in response to this Bidder's Statement in accordance with the Corporations Act.

Tax means any tax, levy, charge, impost, fee, deduction, goods and services tax, compulsory loan or withholding, stamp, landholder, transaction or registration duty or similar charge that is assessed, levied, imposed or collected by any Government Agency and includes any interest, fine, penalty, charge, fee or any other amount imposed on, or in respect of, any of the above.

Third Party means a person other than a Silvercorp Group Member.

Tincorp Metals means Tincorp Metals Inc. (formerly Whitehorse Gold Corp.), a Canadian public company listed on the TSX-V under the symbol "TIN".

TLP Mine has the meaning given in section 4.2.

TMF means tailings management facilities.

tpd means tonnes per day.

Transaction means termination of the Scheme Implementation Deed and the Scheme and the proposed acquisition by Silvercorp of all of the OreCorp Shares it does not already own (including all Rights attaching to those OreCorp Shares) by way of an off-market takeover bid under Chapter 6 of the Corporations Act.

TSX means the Toronto Stock Exchange.

TSX Company Manual means the original listing and ongoing listing maintenance requirements of the TSX, as amended from time to time.

Unmarketable Parcel Shareholder means an OreCorp Shareholder (other than an Ineligible Foreign Shareholder) who, based on their holding of OreCorp Shares would, on acceptance of the Offer, be entitled to receive less than a marketable parcel of Silvercorp Shares under the Offer.

US or United States means the United States of America, its territories and possessions, any State of the United States, and the District of Columbia.

US person has the meaning given thereto in Rule 902 under the US Securities Act. Without limiting the foregoing, it generally includes, without limitation, (i) any natural person resident in the United States; (ii) any partnership or corporation organized or incorporated under the laws of the United States; (iii) any estate or trust of which any executor, administrator or trustee is a US person; (iv) any agency or branch of a foreign entity located in the United States; (v) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a US person; (vi) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; and (vii) any partnership or corporation organized or incorporated under the laws of any non-US jurisdiction if formed by a US person principally for the purpose of investing in securities not registered under the US Securities Act, unless it is organized or incorporated, and owned, by accredited investors who are not natural persons, estates or trusts.

US Purchaser means any OreCorp Shareholder who (i) received the Offer in the United States, (ii) was in the United States at the time of accepting the Offer, (iii) is a US person, (iv) is accepting the Offer or acquiring any consideration payable pursuant to the Offer for the account or benefit of a US person or a person in the United States, or (v) is otherwise unable to accept the Offer in compliance with Rule 903 of Regulation S under the US Securities Act.

US Securities Act means the United States Securities Act of 1933, as amended, and the rules and regulations thereunder.

Victor Mining means Victor Mining Ltd.

Victor Resources means Victor Resources Ltd..

VWAP means volume-weighted average price.

WHO means the World Health Organisation.

Yangtze Mining HK means Yangtze Mining (H.K.) Ltd..

Ying Mining District has the meaning given in section 4.1.

13.2 General interpretation

Headings and labels used for definitions are for convenience only and do not affect interpretation. Unless the contrary intention appears, in this document:

- (a) the singular includes the plural and vice versa;
- (b) a reference to a document includes any agreement or other legally enforceable arrangement created by it (whether the document is in the form of an agreement, deed or otherwise);
- (c) a reference to a document also includes any variation, replacement or novation of it;
- (d) the meaning of general words is not limited by specific examples introduced by “including”, “for example”, “such as” or similar expressions;
- (e) a reference to “**person**” includes an individual, a body corporate, a partnership, a joint venture, an unincorporated association and an authority or any other entity or organisation;
- (f) a reference to a particular person includes the person’s executors, administrators, successors, substitutes (including persons taking by novation) and assigns;
- (g) a reference to a time of day is a reference to Perth time;
- (h) a reference to dollars, \$ or A\$ is a reference to the currency of Australia;
- (i) a reference to US\$ is to the currency of the United States of America;
- (j) a reference to “**law**” includes common law, principles of equity and legislation (including regulations);
- (k) a reference to any legislation includes regulations under it and any consolidations, amendments, re-enactments or replacements of any of them;
- (l) a reference to “**regulations**” includes instruments of a legislative character under legislation (such as regulations, rules, by-laws, ordinances and proclamations); and
- (m) a reference to any thing (including an amount) is a reference to the whole and each part of it.

13.3 Terms defined in the Corporations Act or ASX Settlement Operating Rules

Unless the contrary intention appears, a term which has a defined meaning in the Corporations Act or ASX Settlement Operating Rules has the same meaning when used in this document.

14 Approval of Bidder's Statement

The copy of this Bidder's Statement that is to be lodged with ASIC has been approved by a unanimous resolution passed by the directors of Silvercorp on 22 December 2023.

Signed by Paul Simpson in accordance with section 351 of the Corporations Act.



Paul Simpson

Director 16 January 2024

Appendix 1 – Formal terms of the offer

1 Offer

Silvercorp offers to acquire all of your OreCorp Shares, together with all Rights attaching to them, subject to the Offer Conditions, on the following terms and conditions. This Offer relates to OreCorp Shares that exist or will exist on the Register Date and extends to any OreCorp Shares that are issued between that date and the end of the Offer Period as a result of the exercise of OreCorp Performance Rights and OreCorp Options.

You may only accept this Offer for all of your OreCorp Shares.

By accepting this Offer, you undertake to transfer to Silvercorp not only the OreCorp Shares to which this Offer relates but also all Rights attached to those OreCorp Shares (see clauses 6.6 and 6.7).

2 Consideration

2.1 Consideration offered

The consideration offered is A\$0.19 in cash and 0.0967 Silvercorp Shares for each OreCorp Share (**Offer Consideration**).

2.2 Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders

If at the time this Offer is made to you, you are an Ineligible Foreign Shareholder or an Unmarketable Parcel Shareholder, you are not entitled to be offered or to receive Silvercorp Shares as consideration under the Offer. The Silvercorp Shares which would otherwise be issued to Ineligible Foreign Shareholders who accept the Offer will instead be issued to a nominee as outlined in clause 6.3 below.

2.3 Rounding of shares

If you become entitled to a fraction of one Silvercorp Share, any such fractional entitlement:

- of less than 0.5 will be rounded down to the nearest whole number; and
- of 0.5 or more will be rounded up to the nearest whole number.

If Silvercorp reasonably believes that an OreCorp Shareholder's holdings have been manipulated to take advantage of this rounding up, then any fractional entitlement will be rounded down.

2.4 Ranking of Silvercorp Shares`

The Silvercorp Shares to be issued under the Offer will be issued fully paid and will rank equally in all respects with all other Silvercorp Shares currently on issue.

3 Offer Period

This Offer will, unless withdrawn, remain open for acceptance during the period commencing on the date of this Offer, being 16 January 2024, and ending at 7.00pm (Sydney time) on:

- (a) 23 February 2024; or
- (b) any date to which the period of this Offer is extended in accordance with the Corporations Act,

whichever is the later.

If, within the last 7 days of the Offer Period, either of the following events occur:

- (c) the Offer is varied to improve the consideration offered; or
- (d) Silvercorp's voting power in OreCorp increases to more than 50%,

then the Offer Period will be automatically extended so that it ends 14 days after the relevant event in accordance with section 624(2) of the Corporations Act.

4 How to accept this Offer

4.1 Acceptance Forms

Acceptances must be received in the manner specified below prior to the close of the Offer Period at 7.00pm Sydney time on 23 February 2024, unless extended.

If your Acceptance Form (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is returned by post, for your acceptance to be valid you must ensure that they are posted or delivered in sufficient time for them to be received by Silvercorp at the address or email address specified on the Acceptance Form before the end of the Offer Period.

Unless you advise us otherwise in writing when accepting the Offer, by accepting the Offer you represent to us that you are not, and are not acting for the account or benefit of, a US Purchaser.

4.2 All of your holding

This Offer is for all of your OreCorp Shares.

4.3 Acceptance procedure for OreCorp Shareholders

How you accept this Offer depends on whether your OreCorp Shares are held in a CHESS Holding or an Issuer Sponsored Holding (your personalised Acceptance Form outlines which type of holding you have):

- (a) **If you hold your OreCorp Shares in a CHESS Holding (your HIN starts with an "X")** you must comply with the ASX Settlement Operating Rules.

If you hold your OreCorp Shares in a CHESS Holding, to accept this Offer you must either:

- (i) instruct your Controlling Participant (usually your broker) to initiate acceptance of this Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules in sufficient time for this Offer to be accepted before the end of the Offer Period; or
- (ii) complete and sign your personalised Acceptance Form and send it (together with all other documents required by the instructions on the form) directly to your Controlling Participant (usually your broker) in sufficient time for this Offer to be accepted before the end of the Offer Period with instructions to

initiate acceptance of this Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period; or

- (iii) complete and sign your personalised Acceptance Form and lodge it by returning it to an address or email address as indicated under clause 1.1(f) in sufficient time for Silvercorp or Computershare to instruct your Controlling Participant (usually your broker) to initiate acceptance of this Offer on your behalf so that your acceptance is received before the end of the Offer Period.

Neither Silvercorp nor Computershare will be responsible if your Controlling Participant does not acknowledge and confirm your acceptance in sufficient time.

(b) **If you hold your OreCorp Shares in an Issuer Sponsored Holding (your SRN starts with an "I")**

If your OreCorp Shares are in an Issuer Sponsored Holding, to accept this Offer you must **complete and sign** your personalised Acceptance Form in accordance with the instructions on it and lodge it by returning it (together with all other documents required by the instructions on your personalised Acceptance Form) to an address or email address as indicated under clause 1.1(f) so that your acceptance is received before the end of the Offer Period.

(c) **If some of your OreCorp Shares are held in a number of forms**

If some of your OreCorp Shares are in different holdings, your acceptance of this Offer will require action under clauses 1.1(a) and 1.1(b) in relation to the separate portions of your OreCorp Shares.

(d) **If you are a Broker or a Participant**

To accept this Offer you must initiate acceptance in accordance with the requirements of the ASX Settlement Operating Rules before the end of the Offer Period.

(e) **Beneficial owners**

Beneficial owners whose OreCorp Shares are registered in the name of a broker, investment dealer, bank, trust company or other nominee should contact that nominee for assistance in accepting this Offer.

(f) **Postal and delivery addresses**

Completed Acceptance Forms should be sent to:

Computershare Investor Services Pty Limited
GPO Box 52
Melbourne VIC 3001

If by email: corpactprocessing@computershare.com.au.

You may also deliver your completed personalised Acceptance Form in person to the following address:

Yarra Falls
452 Johnston Street
Abbotsford
Melbourne VIC 3067

The transmission of the Acceptance Form and other documents is at your own risk. If you are a OreCorp Shareholder within Australia a reply paid envelope is enclosed for your convenience.

If your Acceptance Form (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is returned by post, for your acceptance to be valid you must ensure that they are posted or delivered in sufficient time for them to be received by Silvercorp at the address specified on the Acceptance Form (and if you are accepting by the method set out in clause 1.1(a)(iii), in sufficient time for Silvercorp or Computershare to instruct your Controlling Participant) before the end of the Offer Period.

The transmission of your personalised Acceptance Form and other documents is at your own risk.

(g) **Acceptance Form**

Your personalised Acceptance Form which accompanies this Offer forms part of it. Subject to clause 4.6, the requirements on your personalised Acceptance Form must be observed in accepting this Offer in respect of your OreCorp Shares.

4.4 Acceptance procedure for holders of OreCorp Options and OreCorp Performance Rights

If you:

- (a) hold OreCorp Options or OreCorp Performance Rights on the date of this Offer; and
- (b) are entitled to and wish to exercise the OreCorp Options or OreCorp Performance Rights during the Offer Period and accept this Offer in respect of the OreCorp Shares issued upon exercise,

you should exercise the OreCorp Options or OreCorp Performance Rights and accept the Offer in respect of the resulting OreCorp Shares.

Notwithstanding the above, in accordance with the terms of the Bid Implementation Deed, Silvercorp has agreed to make an offer to each holder of OreCorp Options to acquire their OreCorp Options in exchange for the Ascribed Value applicable to the relevant OreCorp Option.

4.5 Power of attorney, deceased estate

When accepting this Offer, you should also forward for inspection:

- (a) if your Acceptance Form is executed by an attorney, an original certified copy of the power of attorney; and
- (b) if your Acceptance Form is executed by the executor of a will or the administrator of the estate of a deceased OreCorp Shareholder, a certified copy of the relevant grant of probate or letters of administration.

4.6 When acceptance is complete

Acceptance of this Offer will not be complete until acceptance has been made in accordance with clause 4.3 and the requirements of clause 4 have otherwise been met, provided that:

- (a) Silvercorp may in its sole discretion and without notice to you waive any or all of those requirements at any time (including but not limited to requirements in relation to the manner or method of acceptance, or the deadline for receipt of acceptances specified under clause 4.3); and
- (b) where such requirements have been complied with in respect of some but not all of your OreCorp Shares, Silvercorp may, in its sole discretion, deem your acceptance of this Offer complete in respect of those OreCorp Shares for which the requirements

have been complied with but not in respect of the remainder (unless Silvercorp waives those requirements in accordance with clause 4.6(a)).

Where Silvercorp elects to waive any requirement of this clause 4, your acceptance of this Offer will be complete regardless of any failure by you to comply with the waived requirement.

5 Quotation of Silvercorp Shares

Silvercorp is listed on the TSX and NYSE American. Silvercorp Shares of the same class as those to be issued as Offer Consideration have been granted quotation by the TSX and NYSE American.

This Offer is subject to the Stock Exchange Approvals Condition, being Silvercorp obtaining approvals from the TSX and NYSE for the listing of the Silvercorp Shares issuable under the Offer (subject only to customary conditions to be satisfied when or around the time when the Offer becomes or is declared unconditional). Silvercorp has already submitted its application to the TSX and NYSE American for the granting of quotation of the New Silvercorp Shares issuable under the Offer.

Subject to the Stock Exchange Approvals Condition being satisfied, quotation of these New Silvercorp Shares will commence as soon as practicable after the relevant New Silvercorp Shares are issued.

Pursuant to section 625(3) of the Corporations Act, this Offer and any contract that results from your acceptance of it are subject to a statutory condition that:

- an application for admission to quotation by the TSX and NYSE American of the New Silvercorp Shares will be made within 7 days after the start of the Offer Period; and
- permission for admission to quotation by the TSX and NYSE American of the New Silvercorp Shares will be granted no later than 7 days after the end of the Offer Period.

If this statutory condition is not fulfilled, all contracts resulting from the acceptance of the Offers will be automatically void.

6 Payment for your OreCorp Shares

6.1 How payment for your OreCorp Shares will be made

- (a) **(Cash Consideration)** Payment of any cash amount to which you are entitled as Cash Consideration under the Offer will be made by cheque (or otherwise as determined by Silvercorp) in Australian currency. The cheque will be sent at your risk by pre-paid ordinary mail or, in the case of addresses outside Australia, by pre-paid airmail, to your address as shown on the Register (or such other address as you may notify in writing to Silvercorp).

If your OreCorp Shares are held in a joint name, the cheque will be issued in the name of the joint holders and forwarded to the address that appears first in the Register.

- (b) **(Share Consideration)** Payment of any Silvercorp Shares to which you are entitled as Share Consideration under the Offer (other than to Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders) will be satisfied by Silvercorp:
- (i) issuing such number of New Silvercorp Shares you are entitled to and entering your name on the register of members of Silvercorp; and

- (ii) dispatching or procuring the dispatch to you by pre-paid post to your address recorded in the Register a direct registration statement in your name reflecting the New Silvercorp Shares that are held by you.
- (c) **(Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders)** If you have accepted the Offer and you are an Ineligible Foreign Shareholder or an Unmarketable Parcel Shareholder, you will receive your share of the net proceeds from the sale of the Silvercorp Shares in accordance with clause 6.3.

6.2 When consideration is paid

Subject to clauses 6.5, 6.6 and the Corporations Act, if you accept the Offer, provided that all relevant documents have been received by Silvercorp and correctly completed, Silvercorp will provide, or procure the provision of, the Offer Consideration to which you are entitled on acceptance of this Offer on or before 10 Business Days after the later of:

- (a) the date you have accepted the Offer; and
- (b) the date the Offer becomes or is declared unconditional.

The Cash Consideration to which you are entitled will be considered paid at the time when the cheque is posted (or when the payment is otherwise processed) by Computershare or Silvercorp.

Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders will be provided with the net proceeds of sale of the Silvercorp Shares to which they are entitled under the Offer at a different time as noted in clause 6.3.

6.3 Payments to Ineligible Foreign Shareholders and Unmarketable Parcel Shareholder

If you accept the Offer and you are an Ineligible Foreign Shareholder or Unmarketable Parcel Shareholder, in respect of any Silvercorp Shares which you would have become entitled to receive under clause 2.1 but for clause 2.2, Silvercorp will:

- (a) arrange for the issue to a nominee approved by ASIC (**Nominee**) of the number of Silvercorp Shares to which you and all other Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders would have become entitled to receive as part of the Offer Consideration as a result of acceptance of the Offer but for clause 2.2. Silvercorp may arrange for the New Silvercorp Shares to be issued to the Nominee in tranches. Silvercorp has the sole and complete discretion as to when and in how many tranches to aggregate the New Silvercorp Shares to be issued as a result of acceptances;
- (b) cause the Nominee to offer for sale the New Silvercorp Shares (in one or more tranches, at the discretion of the Nominee) on the TSX as soon as practicable outside the United States in compliance with Regulation S under the US Securities Act and otherwise in such manner, at such price and on such other terms and conditions as are determined by the Nominee;
- (c) pay, or procure the payment, to you the amount calculated in accordance with the following formula

$$\frac{\text{Net Proceeds of Sale} \times \text{Your Silvercorp Shares}}{\text{Total Nominees Shares}}$$

Total Nominees Shares

Where:

“Net Proceeds of Sale” is the amount the Nominee receives on sale of all Silvercorp Shares issued to the Nominee that are being sold by the Nominee in the relevant tranche under clause 6.3(b), less brokerage and other sale expenses;

“Your Silvercorp Shares” is the number of Silvercorp Shares which Silvercorp would otherwise be required to issue to you as part of the Offer Consideration but for clause 2.2; and

“Total Nominee Shares” is the total number of Silvercorp Shares being sold by the Nominee in the relevant tranche under clause 6.3(a);

- (d) payment will be made by cheque in Australian currency as soon as practicable after settlement of the sale by the Nominee of the Total Nominee Shares for that relevant tranche, but in any event within the period required by the Corporations Act, being on or before the earlier of:
 - (i) one month after this Offer is accepted or one month after the Offer has become or been declared unconditional (whichever is the later); and
 - (ii) 21 days after the end of the Offer Period.

The Net Proceeds of Sale, if in a currency other than Australian currency, will be converted to Australian currency at the time of payment using the relevant exchange rate for value on the date of payment. The cheque will be posted to you at your risk by pre-paid airmail to your address as shown on the Register (or such other address as you may notify in writing to Silvercorp). The payment will be considered paid at the time when the cheque is posted (or when the payment is otherwise processed) by Computershare or Silvercorp. If your OreCorp Shares are held in a joint name, the cheque will be issued in the name of the joint holders and forwarded to the address that appears first in the Register; and

- (e) under no circumstances will interest be paid on your share of the proceeds of this sale, regardless of any delay in remitting these proceeds to you.

As the market price of Silvercorp Shares will be subject to change from time to time, the sale price of the Silvercorp Shares sold by the Nominee and the proceeds of those sales cannot be guaranteed. Neither Silvercorp nor the Nominee gives any assurance as to the price that will be achieved for the sale of the Silvercorp Shares by the Nominee.

The Nominee will be appointed by, and will provide the Nominee services to, Silvercorp. In acting as Nominee, the Nominee will not be acting as agent or sub-agent of any Ineligible Foreign Shareholder or Unmarketable Parcel Shareholder, does not have duties or obligations (fiduciary or otherwise) to any Ineligible Foreign Shareholder or Unmarketable Parcel Shareholder and does not underwrite the sale of the Silvercorp Shares.

Notwithstanding anything else in the Bidder's Statement or these Offer Terms, Silvercorp is under no obligation to spend any money, or undertake any action, in order to satisfy themselves of the eligibility of Ineligible Foreign Shareholders or Unmarketable Parcel Shareholders to receive Silvercorp Shares as set out in this clause 6.3.

6.4 Foreign resident capital gains withholding

If Silvercorp determines, acting reasonably and in good faith, that it must pay an amount to the Commissioner of Taxation (**Commissioner**) pursuant to Subdivision 14-D of Schedule 1 of the *Taxation Administration Act 1953* (Cth) (**TAA**) with respect to the acquisition of the OreCorp Shares from an OreCorp Shareholder, Silvercorp will, for any such OreCorp Shareholder:

- (a) determine the amount to be paid to the Commissioner (**Payment Amount**);
- (b) remit the Payment Amount to the Commissioner within the time required under the TAA; and
- (c) reduce the amount of consideration payable or to be provided by Silvercorp to that OreCorp Shareholder by the Payment Amount for the purposes of this Offer.

For the avoidance of doubt, where the conditions in this clause 6.4 are satisfied, Silvercorp will, for the purposes of this Offer, be deemed to have satisfied its obligations to pay the consideration to an OreCorp Shareholder if the amount paid to the OreCorp Shareholder is the amount of the consideration that would have otherwise been payable to the OreCorp Shareholder pursuant to the Offer, less the Payment Amount for that OreCorp Shareholder.

6.5 Where additional documents are required

Where the Acceptance Form or any subsequent request from Silvercorp requires additional documents to be given with your acceptance (such as a certified copy of a power of attorney, grant of probate or letters of administration, or any other document requested by Silvercorp to give better effect to your acceptance):

- (a) if the documents are given with your acceptance, Silvercorp will provide the Offer Consideration in accordance with clauses 6.1 to 6.3;
- (b) if the documents are given after acceptance and before the end of the Offer Period and this Offer is subject to a defeating condition at the time that Silvercorp is given the documents, Silvercorp will provide the Offer Consideration, subject to clause 6.3, on or before 10 Business Days after the contract resulting from your acceptance of this Offer becomes unconditional; or
- (c) if the documents are given after acceptance and before the end of the Offer Period and this Offer is unconditional at the time that Silvercorp is given the documents, Silvercorp will provide the Offer Consideration, subject to clause 6.3, on or before 10 Business Days after the contract resulting from your acceptance of this Offer becomes unconditional; or
- (d) if the documents are given after the end of the Offer Period, Silvercorp will provide the Offer Consideration, subject to clause 6.3, within 10 Business Days after the documents are given; but if at the time Silvercorp is given the documents, the contract resulting from your acceptance of this Offer is still subject to one or more of the conditions referred to in paragraph (e) of Appendix 2 ("no prescribed occurrences"), Silvercorp will provide the Offer Consideration within 10 Business Days after that contract becomes unconditional.

If you do not provide Silvercorp with the required additional documents within one month after the end of the Offer Period, Silvercorp may, in its sole discretion, rescind the contract resulting from your acceptance of this Offer.

6.6 Where Silvercorp is entitled to any Rights

If Silvercorp becomes entitled to any Rights as a result of your acceptance of this Offer, it may require you to give Silvercorp all documents necessary to vest those Rights in Silvercorp or otherwise to give Silvercorp the benefit or value of those Rights. If you do not give those documents to Silvercorp, or if you have received the benefit of those Rights, then Silvercorp may deduct from the Offer Consideration otherwise due to you the amount (or value, as reasonably assessed by Silvercorp) of those Rights in accordance with clause 6.7.

6.7 Rights generally

If:

- (a) you have (or any previous holder of your OreCorp Shares has) received the benefit of any Rights (whether in respect of non-cash benefits or otherwise); or
- (b) you are (or any previous holder of your OreCorp Shares is) entitled to receive the benefit of any Rights under the terms that provide for or otherwise apply to those Rights (for example, if the Right is to receive a dividend, if you are (or any previous holder of your OreCorp Shares is) the registered holder of the share at the specified time for determining those entitled to the dividend); or
- (c) your OreCorp Shares were issued (or otherwise came into existence) on or after the specified time for determining entitlements in respect of any Rights to OreCorp Shareholders,

then:

- (d) in the case of Rights to non-cash benefits, Silvercorp may deduct the value (as reasonably assessed by Silvercorp) of such Rights from any Offer Consideration otherwise payable to you; or
- (e) in the case of Rights to cash benefits, Silvercorp may deduct the amount of such Rights from any Offer Consideration otherwise payable to you.

If Silvercorp does not, or cannot, make such a deduction, you must pay such value or amount to Silvercorp.

6.8 Clearances for offshore residents

If, at the time of acceptance of this Offer, any consent, authority or clearance is required for you to receive any consideration under this Offer including, but not limited to consent, authority or clearance:

- (a) of the Reserve Bank of Australia (whether under the *Banking (Foreign) Exchange Regulations 1959* (Cth) or otherwise);
- (b) of the Minister for Foreign Affairs whether under the *Charter of the United Nations Act 1945* (Cth), the *Charter of the United Nations (Dealings with Assets) Regulations 2008*, or any other regulations made thereunder, or otherwise; or
- (c) of the Australian Taxation Office, or
- (d) any other person as required by any other law of Australia that would make it unlawful for any consideration to be provided for your OreCorp Shares,

then acceptance of this Offer will not create or transfer to you any right (contractual or contingent) to receive (and you will not be entitled to receive) any consideration under this Offer unless and until all such consents, authorities or clearances have been obtained by Silvercorp.

7 Conditions of this Offer

7.1 Conditions

This Offer and the contract that results from acceptance of this Offer are subject to fulfilment of the Offer Conditions set out in Appendix 2.

7.2 Nature of conditions

Each of the Offer Conditions set out in each paragraph and subparagraph of Appendix 2:

- (a) constitutes and will be construed as a separate, several and distinct condition;
- (b) is a condition subsequent; and
- (c) until the expiration of the Offer Period (or in the case of the conditions referred to in paragraph (e) of Appendix 2 (“no prescribed occurrences”), until three Business Days after the end of the Offer Period) will be for the benefit of Silvercorp alone and may be relied upon only by Silvercorp.

7.3 Effect of breach or non-fulfilment

The breach or non-fulfilment of any of the Offer Conditions does not, until the end of the Offer Period, prevent a contract arising to acquire your OreCorp Shares resulting from your acceptance of this Offer but, if at the end of the Offer Period (or, in the case of the conditions in paragraph (e) of Appendix 2 (“no prescribed occurrences”), at the end of three Business Days after the end of the Offer Period), in respect of any Offer Condition:

- (a) Silvercorp has not declared this Offer (and it has not become) free from that Offer Condition; and
- (b) That Offer Condition has not been fulfilled,

all contracts resulting from the acceptance of the Offer and all acceptances that have not resulted in binding contracts are void. In such a case, Silvercorp will notify ASX of the lapse of the Offer in accordance with Rule 14.19 of the ASX Settlement Operating Rules and will promptly issue and file a news release disclosing the lapse of the Offer.

7.4 Best endeavours in relation to conditions

Silvercorp and OreCorp must each use its best endeavours to procure that:

- (a) each of the Offer Conditions in paragraphs (b) to (f) of Appendix 2 are satisfied; and
- (b) nothing occurs that would prevent any Offer Condition from being satisfied; and

7.5 Silvercorp may decide Offer is free from all or any of the conditions

- (a) Subject to clause 7.5(b), Silvercorp may at any time at its sole discretion, but in compliance with the Corporations Act, declare the Offer free from all or any of the Offer Conditions set out in each paragraph and subparagraph of Appendix 2 by notice in writing to OreCorp:
 - (i) in the case of the Offer Conditions referred to in paragraph (e) of Appendix 2 - not later than three Business Days after the end of the Offer Period; or
 - (ii) in any other case - not later than seven days before the end of the Offer Period.
- (b) Silvercorp has agreed that, in accordance with the terms of the Bid Implementation Deed, within 3 Business Days after both the Offer Conditions in paragraphs (a) and (b) of Appendix 2 are satisfied, it will waive all Offer Conditions other than any Offer Condition in respect of which Silvercorp has publicly announced a breach or suspected breach before that time. OreCorp Shareholders should be aware that Silvercorp has announced that the No Regulatory Action Condition will be breached if the FCC does not determine that the Existing Approval is valid for the change of control of OreCorp associated with the Offer, and does not grant a new approval in relation to the Offer (see Section 12.7).

7.6 Date for giving notice on status of conditions

The date for giving a notice on the status of the conditions as required by section 630(1) of the Corporations Act is 16 February 2024, subject to variation in accordance with section 630(2) of the Corporations Act in the event that the Offer Period is extended.

8 Effect of Acceptance

8.1 Revocation of acceptance

Once you have accepted this Offer, you will be unable to revoke your acceptance and the contract resulting from your acceptance will be binding on you. In addition, you will be unable to withdraw your acceptance of this Offer or otherwise dispose of your OreCorp Shares, except as follows:

- (a) if, by the times specified in clause 8.2, the Offer Conditions have not all been fulfilled or waived, then this Offer will automatically terminate and your OreCorp Shares will be returned to you; or
- (b) if the Offer Period is varied in a way that postpones for more than one month the time when Silvercorp has to meet its obligations under the Offer and, at that time, this Offer is subject to one or more of the Offer Conditions, then you may be able to withdraw your acceptance in accordance with section 650E of the Corporations Act.

8.2 Times

The relevant times for the purposes of clause 8.1(a) are:

- (a) in the case of the defeating conditions referred to in paragraph (e) of Appendix 2 - three Business Days after the end of the Offer Period; and
- (b) in the case of all other defeating conditions in Appendix 2 - the end of the Offer Period.

8.3 Your agreement

By signing and returning your Acceptance Form, or otherwise accepting this Offer, you will be deemed to have:

- (a) irrevocably authorised Silvercorp to alter your Acceptance Form on your behalf by:
 - (i) inserting correct details of your OreCorp Shares (including details of a parcel of OreCorp Shares required by clause 11.4(b));
 - (ii) filling in any blanks remaining on your Acceptance Form; and
 - (iii) rectifying any errors in, and omissions from, your Acceptance Form,as may be necessary to make your Acceptance Form a valid acceptance of this Offer and to enable registration of the transfer of your OreCorp Shares to Silvercorp, and agreed to provide any document reasonably requested by Silvercorp to make your Acceptance Form a valid acceptance of this Offer or to otherwise give better effect to your acceptance; and
- (b) if any of your OreCorp Shares are in a CHESS Holding, irrevocably authorised Silvercorp to:
 - (i) instruct your Controlling Participant to initiate acceptance of this Offer in respect of all such OreCorp Shares in accordance with the ASX Settlement Operating Rules; and

- (ii) give any other instructions in relation to those OreCorp Shares to your Controlling Participant on your behalf under the sponsorship agreement between you and the Controlling Participant; and
- (c) agreed to indemnify Silvercorp in respect of any claim or action against it or any loss, damage or liability whatsoever incurred by it as a result of you not producing your HIN or SRN or in consequence of the transfer of your OreCorp Shares to Silvercorp being registered by OreCorp without production of your HIN or SRN; and:
- (d) irrevocably accepted this Offer in respect of all your OreCorp Shares despite any difference between that number and the number of OreCorp Shares shown on your Acceptance Form; and
- (e) agreed to the terms and conditions of this Offer and, subject to the Offer Conditions being fulfilled or waived, agreed to transfer (or consented to the transfer in accordance with the ASX Settlement Operating Rules) to Silvercorp of your OreCorp Shares; and
- (f) represented and warranted to Silvercorp, as a fundamental condition which goes to the root of the contract resulting from your acceptance of this Offer, that at the time of acceptance and at the time of transfer of your OreCorp Shares to Silvercorp:
 - (i) you have paid to OreCorp all amounts which are due for payment in respect of your OreCorp Shares; and
 - (ii) all of your OreCorp Shares are fully paid and free from all Encumbrances and restrictions on transfer of any nature; and
 - (iii) you have full power and capacity to sell and transfer those OreCorp Shares; and
- (g) on this Offer or any takeover contract becoming unconditional
 - (i) irrevocably appointed Silvercorp and each of its directors from time to time individually as your agent and attorney on your behalf to:
 - (A) attend and vote in respect of your OreCorp Shares at all general meetings of OreCorp;
 - (B) at Silvercorp's discretion, pay Silvercorp, or any other party, all or part of any amounts contemplated by clause 6.1 of these terms;
 - (C) receive from OreCorp or any other party, and retain, any share certificates which were held by OreCorp, or any other party, whether pursuant to the terms of any employee incentive scheme (including, without limitation, any employee share scheme) or otherwise; and
 - (D) sign all documents (including an instrument appointing one of Silvercorp's directors as a proxy in respect of any or all of your OreCorp Shares and any application to OreCorp for a replacement certificate in respect of any share certificate which has been lost or destroyed) and resolutions relating to your OreCorp Shares, and generally to exercise all powers and rights which you may have as a OreCorp Shareholder and perform such actions as may be appropriate in order to vest good title in your OreCorp Shares in Silvercorp, and to have agreed that, in exercising such powers, any such director is entitled to act in Silvercorp's interests as the beneficial owner and intended registered holder of your OreCorp Shares; and

- (ii) agreed not to vote in person at any general meeting of OreCorp or to exercise (or purport to exercise) in person, by proxy or otherwise, any of the powers conferred on the directors of Silvercorp by 1.1(g)(i); and
- (iii) unless you are an Ineligible Foreign Shareholder or an Unmarketable Parcel Shareholder, irrevocably authorised Silvercorp to apply for the issue to your account of that number of Silvercorp Shares corresponding to your entitlement under this Offer at the date of application; and
- (iv) unless you are an Ineligible Foreign Shareholder or an Unmarketable Parcel Shareholder, agreed to accept the Silvercorp Shares to which you have become entitled by acceptance of this Offer subject to the terms of this Offer and the Silvercorp Articles, agreed that you will be bound by the Silvercorp Articles, and authorised Silvercorp to place your name on its share register in respect of those Silvercorp Shares; and
- (v) irrevocably authorised and directed Silvercorp to direct OreCorp to pay to Silvercorp, or to account to Silvercorp for, all Rights in respect of your OreCorp Shares, subject to Silvercorp accounting to you for any such Rights received by Silvercorp if this Offer is withdrawn or any contract resulting from your acceptance to this Offer is rescinded or rendered void; and
- (vi) in accordance with clause 6.7, irrevocably authorised Silvercorp to adjust the Offer Consideration payable to you by the amount (or value, as reasonably assessed by Silvercorp) of all Rights in respect of your OreCorp Shares; and
- (vii) irrevocably authorised Silvercorp to notify OreCorp on your behalf that your place of address for the purposes of serving notices upon you in respect of your OreCorp Shares is the address specified by Silvercorp in the notification; and
- (viii) acknowledged and agreed that, except as permitted by and in accordance with applicable law, you will not knowingly offer or resell in, or to persons in, the United States of America any Silvercorp Shares which you acquire at any time; and
- (ix) if you are an Ineligible Foreign Shareholder or an Unmarketable Parcel Shareholder (or if Silvercorp believes that you are an Ineligible Foreign Shareholder or an Unmarketable Parcel Shareholder):
 - (A) acknowledged and agreed to Silvercorp undertaking the process set out in clause 6.3 in respect of any Silvercorp Shares which you would have become entitled to receive under clause 2.1 but for clause 2.2; and
 - (B) irrevocably authorised Silvercorp to apply for the issue to the account of the Nominee of that number of Silvercorp Shares which you would have become entitled to receive under clause 2.1 but for clause 2.2;
- (x) where, at that time, you have a right to be registered as a holder of the OreCorp Shares the subject of your acceptance as the result of an on-market purchase (but are not a OreCorp Shareholder):
 - (A) agreed to use best endeavours to procure the delivery of the OreCorp Shares the subject of your acceptance to Silvercorp in accordance with your acceptance (including giving Silvercorp all documents necessary to vest those OreCorp Shares in Silvercorp or otherwise to give Silvercorp the benefit or value of those OreCorp Shares);

- (B) agreed not do or omit to do anything which may frustrate your acceptance of this Offer, or otherwise obstruct registration of the transfer of the OreCorp Shares the subject of your acceptance to Silvercorp;
 - (C) irrevocably assigned to Silvercorp all contractual rights and recourse against the vendor in respect of your on-market purchase which contractual rights and recourse may arise by reason of that person's failure to complete that trade;
 - (D) agreed to assign to Silvercorp (without any further action being required) all rights in respect of your on-market purchase immediately on any failure by you to complete that trade, including irrevocably assigning to Silvercorp the right to (at Silvercorp's ultimate discretion) complete that trade on your behalf, and agreed that Silvercorp may deduct from the consideration otherwise payable to you (pursuant to a valid acceptance of this Offer and the delivery of the OreCorp Shares the subject of that acceptance) any amount paid by Silvercorp in order to settle that on-market purchase on your behalf. If Silvercorp does not, or cannot, make such a deduction, you must pay such amount to Silvercorp; and
 - (E) agreed that if you are unable to assign to Silvercorp any of the rights and recourse specified under clauses 8.3(g)(x)(C) and 8.3(g)(x)(D), you will assign such rights and recourse as soon as you are legally able to; and
- (h) if at the time of acceptance of this Offer your OreCorp Shares are in a CHESS Holding, authorised, with effect from the date that this Offer or any contract resulting from acceptance of this Offer is declared free from all Offer Conditions or those Offer Conditions are satisfied, Silvercorp to cause a message to be transmitted to ASX Settlement Pty Ltd in accordance with Rule 14.17.1 of the ASX Settlement Operating Rules so as to transfer all of your OreCorp Shares to Silvercorp's Takeover Transferee Holding. Silvercorp will be so authorised even though at the time of such transfer it has not provided the Offer Consideration due to you.

By accepting this Offer you will be deemed to have agreed to the matters set out in clauses 8.3(a) to (h) above, notwithstanding where this Offer has been caused to be accepted in accordance with the ASX Settlement Operating Rules.

Except in relation to OreCorp Shares in a CHESS Holding, Silvercorp may at any time deem the receipt of a signed Acceptance Form to be a valid acceptance of this Offer even though you omit to include your share certificate(s) (if any) or there is non-compliance with any one or more of the other requirements for acceptance but, if Silvercorp does so, Silvercorp is not obliged to make the Offer Consideration available to you until all of the requirements for acceptance have been met.

9 Withdrawal

- (a) Silvercorp may withdraw unaccepted Offers at any time with the written consent of ASIC and subject to the conditions (if any) specified in such consent. If ASIC gives such consent, Silvercorp will give notice of the withdrawal to ASX and to OreCorp and will comply with any other conditions imposed by ASIC.
- (b) If, at the time this Offer is withdrawn, all the Offer Conditions have been freed, all contracts arising from acceptance of the Offer before it was withdrawn will remain enforceable.

- (c) If, at the time this Offer is withdrawn, the Offer remains subject to one or more Offer Conditions, all contracts arising from its acceptance will become void (whether or not the events referred to in the relevant conditions have occurred).
- (d) A withdrawal pursuant to this clause 9 will be deemed to take effect:
 - (i) if the withdrawal is not subject to conditions imposed by ASIC, on and after the date on which that consent in writing is given by ASIC; or
 - (ii) if the withdrawal is subject to conditions imposed by ASIC, on and after the date on which those conditions are satisfied.

10 Variation

Silvercorp may vary this Offer in accordance with the Corporations Act.

11 Acceptances by transferees and nominees

11.1 Who may accept this Offer

During the Offer Period:

- (a) any person who is able to give good title to a parcel of your OreCorp Shares may accept this Offer (if they have not already accepted an offer in the form of this Offer) as if an offer on terms identical with this Offer has been made to them; and
- (b) any person who holds one or more parcels of OreCorp Shares as trustee, nominee, or otherwise on account of another person, may accept as if a separate and distinct offer had been made in relation to:
 - (i) each of those parcels; and
 - (ii) any parcel they hold in their own right.

11.2 Holding shares

- (a) A person is taken to hold OreCorp Shares if the person is, or has a right to be registered as, the holder of those OreCorp Shares.
- (b) A person who has a right to be registered as a holder of OreCorp Shares may accept this Offer by completing and signing the Acceptance Form in accordance with the instructions on it and lodging it by returning it (together with all other documents required by the instructions on the Acceptance Form) to an address or email address indicated under clause 1.1(f) so that the acceptance is received before the end of the Offer Period.

11.3 Holding shares on trust or as a nominee

A person is taken to hold OreCorp Shares on trust for, as nominee for, or on account of, another person if they:

- (a) are entitled to be registered as the holder of particular OreCorp Shares; and
- (b) hold their interest in the OreCorp Shares on trust for, as nominee for, or on account of, that other person.

11.4 Effective acceptance

An acceptance of an offer under clause 11.1 is ineffective unless:

- (a) the person who holds on account of another person, gives Silvercorp a notice stating that the OreCorp Shares consist of a separate parcel; and
- (b) the acceptance specifies the number of OreCorp Shares in that parcel.

References in this Offer to your OreCorp Shares will be treated to relate to that separate parcel.

11.5 Notice of acceptance

A notice under clause 11.4 of these terms must be made:

- (a) if it relates to OreCorp Shares entered on a CHESSE subregister - in an electronic form approved by the ASX Settlement Operating Rules; or
- (b) otherwise - in writing.

A person may, at the one time, accept for two or more parcels under this clause as if there had been a single offer for a separate parcel consisting of those parcels.

12 Other matters

12.1 Notices and other communications

Subject to the Corporations Act, a notice or other communication given by Silvercorp to you in connection with this Offer shall be deemed to be duly given if it is in writing and:

- (a) is delivered at your address (including the electronic address, if you have elected to receive the communication in electronic form under section 110E of the Corporations Act and have not withdrawn such election) as recorded on the Register of members of OreCorp given to Silvercorp under section 641 of the Corporations Act, or the address shown in your personalised Acceptance Form; or
- (b) is sent by pre-paid ordinary mail, or in the case of an address outside Australia by pre-paid airmail, to you at either of those addresses.

12.2 Return of documents

If:

- (a) this Offer is withdrawn after your Acceptance Form has been sent to Silvercorp, but before it has been received; or
- (b) for any other reason Silvercorp does not acquire the OreCorp Shares to which your Acceptance Form relates,

you may request Silvercorp by notice in writing to despatch (at your risk) your Acceptance Form together with all other documents forwarded by you, to such address as you nominate. Where such address is inside Australia, the documents will be despatched by pre-paid ordinary mail. Where such address is outside Australia, the documents will be despatched by pre-paid airmail.

12.3 Costs and expenses

All costs and expenses of the preparation, despatch and circulation of the Bidder's Statement and this Offer and all stamp duty payable in respect of a transfer of OreCorp Shares in respect of which Offers are accepted, will be paid by Silvercorp.

12.4 Foreign laws

This Offer is not registered in any jurisdiction outside Australia (unless an applicable foreign law treats it as registered as a result of the Bidder's Statement being lodged with ASIC). It is your sole responsibility to satisfy yourself that you are permitted by any foreign law applicable to you to accept this Offer and to receive Silvercorp Shares (if any) as Offer Consideration.

12.5 Governing law

This Offer and any contract resulting from acceptance of it is governed by the law in force in Western Australia.

Appendix 2 – Conditions of the offer

The Offer and any contract resulting from acceptance of the Offer is subject to fulfilment of the following conditions:

- (a) **(Minimum Acceptance)** at or before the end of the Offer Period, Silvercorp has a Relevant Interest in such number of OreCorp Shares which represents at least 50.1% of all OreCorp Shares (on a fully diluted basis);
- (b) **(Stock Exchange Approvals)** at or before the end of the Offer Period, Silvercorp has obtained approvals from the TSX and NYSE American for the listing of the New Silvercorp Shares issuable under the Offer (subject only to customary conditions to be satisfied when or around the time when the Offer becomes or is declared unconditional);
- (c) **(no regulatory action)**: between the Offer Announcement Date and the end of the Offer Period (each inclusive):
 - (i) there is not in effect any preliminary or final decision, order or ruling issued by any Government Agency;
 - (ii) no application is made to any Government Agency; and
 - (iii) no action or investigation is announced, commenced or threatened by any Government Agency in connection with the Offer,

which could reasonably be expected to restrain, impede or prohibit or otherwise have a material adverse effect on the making of or completion of the Offer, the acquisition by Silvercorp of OreCorp Shares or any other transaction contemplated by this Bidder's Statement, other than an application to or a determination by ASIC or the Takeovers Panel in the exercise of the powers and discretions conferred by the Corporations Act;

- (d) **(no material adverse change)** between the Offer Announcement Date and the end of the Offer Period (each inclusive), that no event or circumstances that occurs which is not an Excluded Event and which individually, or when aggregated with all other events or changes that are not Excluded Events:
 - (i) gives rise to the suspension, revocation, invalidity, unenforceability, materially adverse variation, premature lapse or premature termination of all or any material rights under tenement SML653/2021 held by Sotta Mining Corporation Limited which covers an area of 23.36km² and granted on 13 December 2021 with an expiry date of 12 December 2036 (**OreCorp Group Tenement**) (other than planned relinquishment or abandonment);
 - (ii) involves the grant of mining or other rights or interests of any kind over all or part of any area covered by or the subject of the OreCorp Group Tenement to any person other than the holder(s) of the OreCorp Group Tenement (in that capacity) which materially conflict or could reasonably be expected to materially conflict with the enjoyment of the rights conferred or purported to be conferred by the OreCorp Group Tenement;
 - (iii) diminishes or could reasonably be expected to diminish the consolidated net assets of the OreCorp Group by A\$12 million or more; or
 - (iv) has or could reasonably be expected to have a material adverse effect on the business, assets, liabilities, financial or trading position, profitability or prospects of the OreCorp Group taken as a whole.

For the purposes of this paragraph (d):

- (v) consolidated net assets will be calculated using the same principles as were used to calculate the consolidated net assets in the most recent audited financial statements of OreCorp as at the date of the Bid Implementation Deed; and
- (vi) **“Excluded Event”** means any event or change in circumstances:
 - (A) agreed to in writing by Silvercorp;
 - (B) resulting from the execution or announcement of the Bid Implementation Deed or the Offer or from the exercise by any party of its rights, or the discharge by any party of its obligations, under the Bid Implementation Deed;
 - (C) the future occurrence of which and the effect on the OreCorp Group of which have both been Fairly Disclosed in the OreCorp Data Room Information, the Additional OreCorp Due Diligence Information or in any ASX announcement made by OreCorp after 1 January 2022 and before the date of the Bid Implementation Deed or any matter actually known by Silvercorp on or before the date of the Bid Implementation Deed;
 - (D) resulting from any applicable law, any judicial or administrative interpretation of the law or any practice or policy of a Government Agency, including in relation to Tax;
 - (E) that is, or arises from, a change or fluctuation in general economic, banking, regulatory, political or business or industry conditions;
 - (F) that is, or arises from, a general deterioration in global gold or silver prices or a change in taxation rates, interests rates or exchange rates;
 - (G) that is, or arises from, geopolitical conditions, hostilities, civil or political unrest, any acts of war, sabotage, cyberattack or terrorism (including any outbreak, escalation or worsening of the foregoing) except to the extent such events occur solely in Tanzania;
 - (H) that is, or arises from, any actual or announced change in generally accepted accounting principles or standards or the interpretation of such principles or standards; or
 - (I) that is, or arises from, any epidemic, pandemic, lightning, storm, flood, fire, seismic event or explosion, cyclone, tidal wave, landslide, natural disaster or adverse weather conditions or the like,

except, in the case of each of the matters contemplated in items (E), (F), (G), (H) and (I), if the effects of such event, occurrence, change, condition, matter, circumstance or thing are, or would be considered reasonably likely to be, disproportionately adverse to OreCorp compared to the effects on other comparable companies in the same industries as OreCorp, then those effects are excluded from the matters contemplated in items (E), (F), (G), (H) or (I) (as applicable) only to the extent of such disproportionate effect and not in their entirety;

- (e) **(no prescribed occurrences)** between the Offer Announcement Date and the end of the Offer Period, none of the following events occurs:
 - (i) OreCorp converts all or any of its shares into a larger or smaller number of shares;
 - (ii) OreCorp or an OreCorp Subsidiary resolves to reduce its share capital in any way;
 - (iii) OreCorp or an OreCorp Subsidiary:

- (A) enters into a buy-back agreement; or
 - (B) resolves to approve the terms of a buy-back agreement under section 257C(1) or section 257D(1) of the Corporations Act;
- (iv) OreCorp or an OreCorp Subsidiary issues shares, or grants an option over its shares, or agrees to make such an issue or grant such an option;
- (v) OreCorp or an OreCorp Subsidiary issues, or agrees to issue, convertible notes;
- (vi) OreCorp or an OreCorp Subsidiary disposes, or agrees to dispose, of the whole, or a substantial part, of its business or property;
- (vii) OreCorp or an OreCorp Subsidiary charges, or agrees to charge, the whole, or a substantial part, of its business or property;
- (viii) OreCorp or an OreCorp Subsidiary resolves to be wound up;
- (ix) a liquidator or provisional liquidator of OreCorp or of an OreCorp Subsidiary is appointed;
- (x) a court makes an order for the winding up of OreCorp or of an OreCorp Subsidiary;
- (xi) an administrator of OreCorp or of an OreCorp Subsidiary is appointed under sections 436A, 436B or 436C of the Corporations Act;
- (xii) OreCorp or an OreCorp Subsidiary executes a deed of company arrangement
- (xiii) a restructuring practitioner for OreCorp, or for an OreCorp Subsidiary, is appointed under section 453B of the Corporations Act;
- (xiv) OreCorp or an OreCorp Subsidiary makes a restructuring plan under Division 3 of Part 5.3B of the Corporations Act; or
- (xv) a receiver or a receiver and manager is appointed in relation to the whole, or a substantial part, of the property of OreCorp or of an OreCorp Subsidiary; and
- (f) **(no other prescribed events)** between the Offer Announcement Date and the end of the Offer Period (each inclusive), none of the following events occurs:
 - (i) OreCorp or an OreCorp Subsidiary resolves to reclassify, combine, split or redeem or repurchase directly or indirectly any of its shares;
 - (ii) OreCorp or an OreCorp Subsidiary issues securities convertible into shares or grants, vests or accelerates a performance right or an option or any other securities convertible into shares or similar right over its shares or agrees to make such an issue or grant, vesting or acceleration in relation to such an option, performance right, share, security or similar right (other than an issue of shares in OreCorp pursuant to the conversion of convertible securities or the exercise of options where the existence of those convertible securities or options has been disclosed to ASX before the date of the Bid Implementation Deed or as disclosed to Silvercorp in OreCorp Data Room Information);
 - (iii) OreCorp announces, declares or determines to pay any dividend or announces or makes any other distribution to its members;
 - (iv) OreCorp or an OreCorp Subsidiary makes any change to its constitution or equivalent documents;
 - (v) OreCorp or an OreCorp Subsidiary incurs any financial indebtedness or issues any debt securities, other than in the ordinary course of business or pursuant to advances

under its credit facilities in existence as at the date of the Bid Implementation Deed where the funds drawn pursuant to those advances are used in the ordinary course of business;

- (vi) OreCorp or an OreCorp Subsidiary makes any loans, advances or capital contributions to, or investments in, any other person (other than to or in OreCorp or to another direct or indirect wholly owned OreCorp Subsidiary in the ordinary course of business or to Silvercorp), other than in the ordinary course of business;
- (vii) OreCorp or an OreCorp Subsidiary entering, varying or terminating any material contract, joint venture, partnership or other commitment which is material in the context of the business of the OreCorp Group as a whole, other than in the ordinary course of business;
- (viii) OreCorp or an OreCorp Subsidiary entering into or resolving to enter into a transaction with a Related Entity of OreCorp (as defined in the Corporations Act, but excluding transactions between members of the OreCorp Group);
- (ix) OreCorp or an OreCorp Subsidiary settling or compromising a material dispute;
- (x) OreCorp ceases to be admitted to the official list of ASX or OreCorp Shares cease to be quoted by ASX; or
- (xi) OreCorp or an OreCorp Subsidiary authorising, committing, announcing or agreeing to take any of the actions referred to preceding subparagraphs in this paragraph (f).

CORPORATE DIRECTORY

Silvercorp Metals Inc.

BN 131033920

ARBN 671 900 020

Suite 1750-1066 W. Hastings Street

Vancouver, BC

Canada V6E 3X1

Silvercorp Australian share registry for the Offer

Computershare Investor Services Pty Limited

GPO Box 52

Melbourne VIC 3001

Silvercorp Information Line for the Offer

1300 290 691 (within Australia)

+61 2 9066 4081 (outside Australia)

The Silvercorp Information Line opens between 9:00am and 5:30pm (Sydney time) Monday to Friday, excluding public holidays in Sydney.

This line will only be open from the date the Offer opens until one week after it closes.

Stock Exchange Listing

Silvercorp is listed on the TSX under the symbol "SVM" and trades in the United States on the NYSE American under the symbol "SVM".

Financial Adviser

Canaccord Genuity Corp.

40 Temperance Street, Suite 2100

Toronto, ON

Canada M5H 0B4

Australian legal adviser for the Offer

King & Wood Mallesons

Level 61, Governor Phillip Tower

1 Farrer Place

Sydney NSW 2000

Australia

Silvercorp's share registrar*

Computershare Trust Company of Canada

1400-510 Burrard Street

Vancouver, British Columbia

Canada, V6C 3B9

Silvercorp's auditor*

Deloitte LLP

410 W. Georgia Street

Vancouver, British Columbia

Canada, V6B 0S7

** Information purposes only*



REPLACEMENT BIDDER'S STATEMENT

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to how to deal with it, you should consult your legal, financial or other professional adviser as soon as possible.

Recommended Offer by:

Silvercorp Metals Inc. (BN 131033920 / ARBN 671 900 020)
to purchase all your shares in OreCorp Limited (ACN 147 917 299)

For each OreCorp Share you will receive **a combination of \$0.19 cash and 0.0967 Silvercorp Shares**

OreCorp Directors recommend you ACCEPT the Offer in the absence of a Superior Proposal and subject to the Independent Expert's Report concluding, and continuing to conclude that the Offer is reasonable to OreCorp Shareholders.

If you have any questions about the Offer, please call the Silvercorp Information Line on 1300 290 691 (within Australia) or +61 2 9066 4081 (outside Australia) between 9:00am and 5:30pm (Sydney time) Monday to Friday, excluding public holidays in Sydney.

The Offer is dated ~~16 January 2024~~ and will close at 7.00pm (Sydney time) on ~~23 February 2024~~, unless extended.

The Silvercorp Shares have not been registered under the US Securities Act and may not be offered or sold in the United States or to US persons unless the Silvercorp Shares are registered under the US Securities Act, or an exemption from the registration requirements of the US Securities Act is available.

Australian legal adviser

KING & WOOD
MALLESONS

Financial adviser



Important Dates

Announcement of Offer	27 December 2023
Date of this the original Bidder's Statement	27 December 2023
Date of this replacement Bidder's Statement	16 January 2024
Date of the Offer	{•} 16 January 2024
Closing Date (unless extended or withdrawn) 7.00pm (Sydney time)	{•} 23 February 2024

Note: the Closing Date for the Offer may change as permitted by the Corporations Act.

Important Notice

[This document is a replacement Bidder's Statement issued by Silvercorp Metals Inc. \(BN 131033920/ARBN 671 900 020\) \(Silvercorp\) under Part 6.5 of the Corporations Act \(as modified by ASIC Corporations \(Replacement Bidder's and Target's Statements\) Instrument 2023/688\) and includes an Offer to acquire all fully paid ordinary shares in OreCorp Limited \(ACN 147 917 299\) \(OreCorp\) that Silvercorp does not already own.](#)

[This replacement Bidder's Statement replaces, and incorporates all the substantive information in, the original bidder's statement dated and lodged with ASIC on 27 December 2023 and the supplementary bidder's statement dated and lodged with ASIC in relation to the original Bidder's Statement on 5 January 2024.](#)

The Offer described within this Bidder's Statement is given by Silvercorp ~~Metals Inc. (BN 131033920 / ARBN 671 900 020) (Silvercorp)~~ to OreCorp ~~Limited (ACN 147 917 299) (OreCorp)~~ under Part 6.5 of the Corporations Act and sets out certain disclosures required by the Corporations Act together with the terms of the Offer to acquire your OreCorp Shares.

This [replacement](#) Bidder's Statement is dated ~~27 December 2023~~[16 January 2024](#) and includes an Offer dated ~~{•}~~[16 January 2024](#) on the terms set out in Appendices 1 and 2 of this Bidder's Statement.

A copy of this [replacement](#) Bidder's Statement was lodged with ASIC on ~~27 December 2023~~[16 January 2024](#). ASIC takes no responsibility for the content of this [replacement](#) Bidder's Statement.

Defined Terms

Terms used in this Bidder's Statement are defined in the Glossary.

Unless otherwise indicated, all references to sections are references to sections of this Bidder's Statement.

[Unless the context requires otherwise, references in this document to "this Bidder's Statement", "the date of this Bidder's Statement" or similar expressions are references to this replacement Bidder's Statement dated 16 January 2024.](#)

Implied value of the Silvercorp Offer

As you are being offered Silvercorp Shares as part of the consideration for your OreCorp Shares, the implied value to you of the Offer will vary with the TSX/NYSE American trading price of Silvercorp Shares. Further information on the implied value of the Offer is contained in section 1.2 of this Bidder's Statement.

Currencies

This Bidder's Statement may contain conversion of relevant currencies to other currencies for reference only. These conversions should not be construed as representations that the relevant currency could be converted into the other currency at the rate used or at any other rate. Conversions that have been calculated at a relevant date may not correspond to the amounts shown in the historic or future financial statements of Silvercorp or OreCorp in respect of which different exchange rate may have been, or may be, used.

Mineral Resources and Ore Reserves/Mineral Reserves

OreCorp's disclosure of Mineral Resources and Ore Reserves is based on the reporting requirements of the JORC Code. Silvercorp's disclosure of CIM Mineral Resources and CIM

Mineral Reserves is governed by National Instrument NI 43-101 (**NI 43-101**), which adopts the CIM Standards. With the exception of slight differences in terminology, there are no material differences between the statements of Mineral Resources and Ore Reserves prepared in accordance with the JORC Code and statements of CIM Mineral Resources and CIM Mineral Reserves prepared in accordance with the CIM Standards applicable under NI 43-101. Refer to section [12.9](#)~~12.8~~ for an explanation of these terms under the JORC Code and NI 43-101.

Investment advice

You should read this Bidder's Statement in its entirety before deciding whether to accept the Offer. The information in this Bidder's Statement does not take into account your individual investment objectives, financial situation or needs. You should consider whether the information in this Bidder's Statement is appropriate for you in light of your objectives, financial situation and needs. Accordingly, before making a decision whether or not to accept the Offer, you may wish to consult your professional adviser.

Notice to foreign OreCorp Shareholders

The Offer is being proposed and will be conducted in accordance with the laws in force in Australia. No action has been taken to register or qualify the Silvercorp Shares or otherwise permit a public offer of Silvercorp Shares in any jurisdiction outside Australia.

Based on the information available to Silvercorp, OreCorp Shareholders whose addresses are shown in the Register on the Register Date for the Offer as being in the following jurisdictions will be entitled to receive the Bidder's Statement and have Silvercorp Shares issued to them under the Offer subject to any qualifications set out below in respect of that jurisdiction:

- Australia;
- New Zealand;
- the United Kingdom where (i) OreCorp Shareholders are "qualified investors" (as defined in Article 2(e) of the UK Prospectus Regulation) or (ii) the number of other OreCorp Shareholders is less than 150;
- Canada; and

- any other person or jurisdiction in respect of which Silvercorp (in consultation with OreCorp) determines that it is lawful and not unduly onerous or impracticable to issue that OreCorp Shareholder with Silvercorp Shares under the Offer.

The distribution of this Bidder's Statement outside Australia, New Zealand, the United Kingdom (subject to paragraph below) and Canada may, in some countries, be restricted by law or regulation. Accordingly, persons who come into possession of this Bidder's Statement should inform themselves of, and observe, those restrictions.

Nominees and custodians who hold OreCorp Shares on behalf of a beneficial owner resident outside Australia and New Zealand and Canada may not forward this Bidder's Statement (or any accompanying document) to anyone outside these countries without the consent of Silvercorp except that nominees and custodians may send the Bidder's Statement to beneficial shareholders of OreCorp that are "qualified investors" (as defined in Article 2(e) of the UK Prospectus Regulation) in the United Kingdom.

Ineligible Foreign Shareholders will not be entitled to Silvercorp Shares as part of the Offer Consideration. Instead, the Silvercorp Shares to which they would otherwise be entitled will be issued to the Nominee. Those Silvercorp Shares will be offered for sale and the net proceeds provided to the Ineligible Foreign Shareholders in Australian dollars in accordance with 2.2 of the Offer Terms in Appendix 1.

The disclosure requirements in relation to the Offer in Australia will differ from those applying in other jurisdictions (including the United States). The financial statements included in this Bidder's Statement have been prepared in accordance with generally accepted accounting principles in Canada that will differ from those in other jurisdictions (including the United States). Substantially all of the Directors of Silvercorp are located in Canada and China and all of Silvercorp's material assets are located in China. As a result, investors resident in places other than Australia and Canada may have difficulties in enforcing their rights and any claims they may have arising under the laws of the jurisdiction in which they are resident (including, for United States investors, the United States federal securities laws) against Silvercorp, Silvercorp Board or any of the officers or employees of

Silvercorp Group. It may be difficult to compel Silvercorp and its affiliates to subject themselves to a judgment of a court outside Australia/Canada.

This Bidder's Statement is neither an Offer to sell to nor a solicitation of an offer to buy securities (as such terms are defined under the US Securities Act) from Ineligible Foreign Shareholders. The Silvercorp Shares to be issued pursuant to the Offer have not been, and will not be, registered under the US Securities Act or the securities laws of any United States state or other jurisdiction and therefore may not be offered or sold to US persons or persons resident in or located in the United States without registration or an applicable exemption from the registration requirements of the US Securities Act.

None of the US Securities Exchange Commission, any United States state securities commission or any other United States regulatory authority has passed comment upon or endorsed the merits of the Offer or the accuracy, adequacy or completeness of this Bidder's Statement. Any representation to the contrary is a criminal offence.

New Zealand

This Bidder's Statement is not a New Zealand disclosure document and has not been registered, filed with or approved by any New Zealand regulatory authority under or in accordance with the *Financial Markets Conduct Act 2013* or any other New Zealand law.

The offer of Silvercorp Shares is being made to existing shareholders of OreCorp in reliance upon the *Financial Markets Conduct (Incidental Offers) Exemption Notice 2021* and, accordingly, this Bidder's Statement may not contain all the information that a disclosure document is required to contain under New Zealand law.

United Kingdom

Neither this Bidder's Statement nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the *Financial Services and Markets Act 2000*, as amended (**FSMA**)) has been published or is intended to be published in respect of the Silvercorp Shares. The Silvercorp Shares may not be offered or sold in

the United Kingdom by means of this Bidder's Statement or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA.

This Bidder's Statement is issued on a confidential basis in the United Kingdom to (as defined in Article 2(e) of the UK Prospectus Regulation) shareholders who are "qualified investors" (as defined in the UK Prospectus Regulation) and fewer than 150 other persons. This Bidder's Statement may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the Silvercorp Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to Silvercorp.

In the United Kingdom, this Bidder's Statement is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the *Financial Services and Markets Act 2000 (Financial Promotions) Order 2005*, as amended (**FPO**), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investment to which this Bidder's Statement relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this Bidder's Statement.

Canada

The Silvercorp Shares to be issued to any OreCorp Shareholders in Canada are being issued in reliance upon exemptions from the prospectus and registration requirements of applicable Canadian securities laws in each province and territory of Canada. As a result, a shareholder in Canada may not receive information that would otherwise be required to be provided under applicable Canadian securities laws, and some rights, remedies and protections otherwise available under

Canadian securities laws will not be available to the shareholder.

This Bidder's Statement has not been filed with any securities commission or securities regulatory authority in any province or territory of Canada. Additionally, no securities commission or securities regulatory authority in Canada has reviewed or in any way passed upon this Bidder's Statement or the merits of the Offer or any securities of Silvercorp and any representation to the contrary is an offence.

OreCorp Shareholders in Canada should note that the Offer will be conducted in accordance with the laws of Australia which may differ from comparable processes conducted under Canadian law.

In Canada, this Bidder's Statement is distributed only to OreCorp Shareholders and is not being made available to the public in Canada, and is not intended to be, made generally available in Canada other than to such OreCorp Shareholders. The Bidder's Statement should not be relied upon in Canada other than by OreCorp Shareholders.

This Bidder's Statement does not constitute or form part of, and should not be construed as, an offer or invitation to sell or any solicitation of any offer to purchase or subscribe for any securities of Silvercorp in Canada.

Disclosure regarding Forward Looking Statements

Some of the statements appearing in this Bidder's Statement may be in the nature of forward looking statements. Forward looking statements may generally be identified by the use of forward looking verbs such as "aim", "anticipate", "believe", "estimate", "expect", "foresee", "intend" or "plan", by words denoting uncertainty such as "likely", "may", "potential" or "should", or by derived or similar words. Similarly, statements that describe the expectations, objectives, plans or targets of Silvercorp or OreCorp may be forward looking statements.

These forward looking statements are, subject to risks, uncertainties and assumptions which could cause actual events or results to differ materially from the expectations described in such forward looking statements. These factors include, amongst other things, the risks identified in section 10, as well as other matters not yet known to Silvercorp or not currently considered material by Silvercorp. All

forward looking statements should be read in light of such risks and uncertainties.

None of Silvercorp nor any of their respective officers, employees or advisers makes any representation or warranty that any outcome, performance, or result expressed in or implied by any forward looking statement in this Bidder's Statement will actually occur. You should treat all forward looking statements with caution and not place undue reliance on them.

Any forward looking statements in this Bidder's Statement reflect the assumptions and expectations of Silvercorp as at the date of this Bidder's Statement. Except to the extent required by law, none of Silvercorp, Silvercorp Board, nor any member of Silvercorp Group or their respective officers or employees, any persons named in this Bidder's Statement with their consent or any person involved in the preparation of this Bidder's Statement, make any representation or warranty (express or implied) as to the accuracy or likelihood of fulfilment of any forward looking statement, or any events or results expressed or implied in any forward looking statement and they disclaim any obligation to revise or update any forward looking statements after the date of this Bidder's Statement to reflect any change in the assumptions or expectations on which those statements are based.

Information on OreCorp

The information on OreCorp, OreCorp Shares and OreCorp Group's business contained in this Bidder's Statement has been prepared based on a review of publicly available and limited non-public information and should not be considered comprehensive. Information in this Bidder's Statement concerning OreCorp Group, OreCorp Shares and OreCorp Group's business has not been independently verified by Silvercorp. Subject to the Corporations Act, none of the Silvercorp, Silvercorp Board, nor any member of Silvercorp Group or their respective officers or employees make any representation or warranty (express or implied) as to the accuracy or completeness of this information.

Further information relating to OreCorp Group's business may be included in OreCorp's target statement which OreCorp must provide to OreCorp Shareholders in response to this Bidder's Statement.

Privacy

Silvercorp has collected your information from the Register of OreCorp Shareholders for the purposes of making this Offer and, if accepted, administering your holding of OreCorp Shares. The type of information Silvercorp has collected about you includes your name, contact details and information on your shareholding in OreCorp. Without this information, Silvercorp would be hindered in its ability to carry out the Offer. The Corporations Act requires the names and addresses of OreCorp Shareholders to be held in a public register. Your information may be disclosed on a confidential basis to Silvercorp and its Related Bodies Corporate, and holders of securities in Silvercorp or its Related Bodies Corporate and external service providers, and may be required to be disclosed to regulators, such as ASIC.

will only be open from the date the Offer opens until one week after it closes.

Websites

Both Silvercorp and OreCorp maintain internet sites. Silvercorp's website is at <https://silvercorpmetals.com/>. OreCorp's website is at <https://orecorp.com.au/>.

Information contained on, or otherwise accessible through, these internet sites is not a part of this Bidder's Statement. All references in this Bidder's Statement to these internet sites are inactive textual references to these sites and are for your information only.

Updated information

Information contained in this Bidder's Statement is subject to change from time to time. Please refer to any ASX announcements of OreCorp regarding updates in relation to the Offer. Some information may be updated and made available to you on Silvercorp's website at <https://silvercorpmetals.com/> where that information is not of a kind that is required to be included in a supplementary Bidder's Statement (that is, where that information is not material in relation to the Offer).

Enquiries

If you are in any doubt as to how to deal with this Bidder's Statement, you should consult your legal, financial or other professional adviser.

If you have any questions about the Offer, please call the Silvercorp information line on 1300 290 691 (within Australia) or +61 2 9066 4081 (outside Australia) between 9:00am and 5:30pm (Sydney time) Monday to Friday, excluding public holidays in Sydney. This line

How to accept the Offer

The Offer may only be accepted for all of your OreCorp Shares. You may accept the Offer during the Offer Period in the manner specified below. How you accept the Offer depends on whether your OreCorp Shares are in an Issuer Sponsored Holding or a CHESS Holding. Your personalised Acceptance Form outlines which type of holding you have.

- **If you hold your OreCorp Shares in an Issuer Sponsored Holding (your SRN starts with an “I”),** to accept the Offer you must complete, sign and return the enclosed personalised Acceptance Form in accordance with the instructions on it and return it to the address or the email address indicated on the form (and set out below) before the end of the Offer Period.
- **If you hold your OreCorp Shares in a CHESS Holding (your HIN starts with an “X”),** to accept the Offer you must comply with the ASX Settlement Operating Rules by doing one of the following:
 - (a) instruct your Controlling Participant (usually your broker) to initiate acceptance of the Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules in sufficient time for the Offer to be accepted before the end of the Offer Period; or
 - (b) complete the accompanying personalised Acceptance Form and send it (together with all other documents required by the instructions on the form) directly to your broker or other Controlling Participant in sufficient time for the Offer to be accepted before the end of the Offer Period with instructions to initiate acceptance of the Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period; or
 - (c) complete, sign and return your personalised Acceptance

Form in accordance with the instructions on it and lodge it by returning it to the address or email address indicated on the form (and set out below) in sufficient time for Silvercorp or Computershare to instruct your Broker or other Controlling Participant to initiate acceptance of the Offer on your behalf so that your acceptance is received before the end of the Offer Period.

- **If you are a Broker or an ASX Settlement Participant,** to accept the Offer you must initiate acceptance in accordance with the requirements of the ASX Settlement Operating Rules before the end of the Offer Period.
- **If some of your OreCorp Shares are held in an Issuer Sponsored Holding and some in a CHESS Holding,** you will need to accept the Offer separately for each holding if you wish to accept the Offer for all of your OreCorp Shares across those holdings. Clause 4 of the Offer Terms in Appendix 1 to this Bidder's Statement contains further information on how to accept the Offer.
- **When you return the completed Acceptance Form,** you must mail or deliver the completed Acceptance Form and any other documents required by the above instructions using the self addressed envelope included or otherwise, to the address or email address indicated on the Acceptance Form (and set out below) so that is received before the relevant deadline stated in the above instructions.

The postal address for your completed personalised Acceptance Form is as follows.

Computershare Investor Services Pty
Limited
GPO Box 52
Melbourne VIC 3001

The email address for your completed personalised Acceptance Form is:
corpactprocessing@computershare.com.au.

You may also deliver your completed personalised Acceptance Form in person to the following address:

Yarra Falls
452 Johnston Street
Abbotsford
Melbourne VIC 3067

A reply paid envelope (for use by OreCorp Shareholders within Australia) is enclosed for your convenience.

Unless you advise us otherwise in writing when accepting the Offer, by accepting the Offer you represent to us that you are not, and are not acting for the account or benefit of, a US Purchaser.

The transmission of your personalised Acceptance Form and other documents is at your own risk.

For full details see clause 4 of the Offer Terms in Appendix 1 to this Bidder's Statement.

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Letter from Silvercorp Chairman and Chief Executive Officer



~~[●] December 2023~~ 16 January 2024

Dear OreCorp Shareholder

On behalf of Silvercorp, I am pleased to present you with this Offer to acquire all of your OreCorp Shares for consideration comprising of a combination of \$0.19 cash plus 0.0967 Silvercorp Shares for each OreCorp Share.

This Offer replaces the proposed Scheme announced on 6 August 2023 between OreCorp and its shareholders under which all of the issued shares in OreCorp (other than the OreCorp Shares held by Silvercorp) were proposed to be transferred to Silvercorp.

Since the announcement of the Scheme, no Superior Proposal has emerged for OreCorp Shareholders. However on 27 November 2023, Perseus Mining Limited (**Perseus**) acquired a 19.9% interest in OreCorp and announced it intended to vote against the Scheme without submitting a proposal in competition to the Scheme. Perseus' action effectively blocked the Scheme ~~while leaving and left~~ OreCorp Shareholders without ~~offering any~~ alternative opportunity for liquidity. ~~Since then and M~~more than ~~7three~~ weeks later, Perseus has still not given any indications to ~~OreCorp or the all~~ OreCorp Shareholders of its motives or plans or, as far as Silvercorp is aware, made any proposal to OreCorp that would provide liquidity to all OreCorp Shareholders.

As a result, Silvercorp and OreCorp have decided to terminate the Scheme and Silvercorp is presenting OreCorp Shareholders an alternative transaction in the form of this Offer. The Offer has the same consideration as the Scheme, reduced conditionality from the Scheme because of the lower level of shareholder support required, and remains the only offer available to OreCorp Shareholders. Even if an alternative proposal for control of OreCorp is made, it is likely to be subject to additional risks, conditions, and delays, such that it may not provide OreCorp Shareholders with a compelling liquidity opportunity on a timely basis, or at all.

An attractive Offer

~~As at the date of this [Bidder's Statement/Offer] (Sydney time, being after market close on [26 December 2023/●] Eastern Standard Time), t~~he implied value of the Offer Consideration is A\$~~[0.583/●0.538]~~ per OreCorp Share (being A\$0.19 in cash and 0.0967 of a Silvercorp common share valued at A\$~~[0.393/●0.348]~~)¹, which represents a:

- ~~[34/●24]~~% premium to the closing price of OreCorp Shares of A\$0.435 on ASX on 4 August 2023 (being the last trading day prior to the announcement of the Scheme);
- ~~[39/●28]~~% premium to the 20-day volume-weighted average price (**VWAP**) of OreCorp Shares of A\$0.421 on ASX for the period ending 4 August 2023;
- ~~[14/●5]~~% premium to the closing price of OreCorp Shares of A\$0.510 on ASX on 22 December 2023 (being the last trading day prior to the announcement of the Offer); and

¹ Based on the Silvercorp Share-~~'s~~ volumed weighted average market price of US\$2.41 in the ordinary course of trading during the two full trading days of 9 January 2024 and 10 January 2024 on the NYSE American price of US\$[2.77/●] and the AUD:USD exchange rate of ~~[1.468/●1.495]~~ as at ~~10 January 2024the close of trading on NYSE American on [26 December 2023/●] (Eastern Standard Time).~~ The implied value of the Offer Consideration in this Bidder's Statement is calculated in accordance with the relief granted under the ASIC Corporations (Minimum Bid Price) Instrument 2015/1068. Trading data in this Bidder's Statement is sourced from Capital IQ, Bloomberg and the ASX official website who have not consented to the use of the reference in this Bidder's Statement.

- ~~[24/-11]~~ % premium to the 20-day VWAP of OreCorp Shares of A\$0.483 on ASX for the period ending 22 December 2023.

Based on the share component of the Offer Consideration, the Offer provides you with the opportunity to become a shareholder in a significantly larger entity offering the benefits of scale, diversity and financial strength, while retaining participation in further upside from the Nyanzaga Project and Silvercorp's existing assets.

The liquidity of Silvercorp Shares, in comparison to the trading of OreCorp Shares, represents a significant advantage for OreCorp shareholders, especially in volatile markets. The Offer also provides OreCorp Shareholders with an opportunity to participate in a re-rating due to enhanced scale, asset diversification, existing production and exploration upside, as well as on the successful development of Nyanzaga, which is expected to commence commercial gold production in H2 2025. As at 30 September 2023, Silvercorp had cash and cash equivalents and short term investments of US\$189.1 million and an equity investment portfolio in associates and other companies with a total market value of US\$124.0 million. Silvercorp's balance sheet, together with its track record of cash generation from its existing asset base, provide significantly greater certainty of funding the development and commissioning of the Nyanzaga Project.

The Offer has unanimous support from the OreCorp Board, and OreCorp Directors, who collectively hold approximately 3.9% of the OreCorp Shares, intend to accept the Offer in respect of all OreCorp Shares they own or control on the Acceptance Date, in the absence of a Superior Proposal, and subject to the Independent Expert concluding and continuing to conclude that the Offer is reasonable to OreCorp Shareholders.

Other information about the Offer

~~The Offer benefits from the existing receipt of the necessary government approvals and is subject to a very limited number of conditions (including a 50.1% Minimum Acceptance Condition). Silvercorp obtained the approval of the Tanzania Fair Competition Commission (FCC) for the proposed acquisition of control of OreCorp approximately two months after the application was submitted. Even if an alternative proposal for control of OreCorp is made, there is uncertainty as to whether such proposal would be successful in receiving the approval from the FCC and even if it would, it is likely to be at least a further three months before the OreCorp Shareholders will have a liquidity opportunity. Accordingly, our Offer provides OreCorp Shareholders with the opportunity to receive the Offer Consideration in a timely manner and the Offer is not subject to any regulatory approval condition or financing condition. Details on all conditions of the Offer are contained in Appendix 2.~~

FCC intervention

Silvercorp lodged an application to the Tanzanian Fair Competition Commission (FCC) on 4 September 2023 for a merger approval for the proposed acquisition of control of OreCorp. As announced by OreCorp on 7 November 2023, Silvercorp had obtained the unconditional merger approval granted by the FCC (Existing Approval).

If the FCC takes the view that the Existing Approval is not valid for the change of control of OreCorp associated with the Offer, and does not grant a new approval in relation to the Offer, the Offer Condition in paragraph (c) of Appendix 2 of this Bidder's Statement will be breached, as the action by the FCC could reasonably be expected to restrain, impede or prohibit or otherwise have a material adverse effect on the making or completion of the Offer.

Silvercorp, together with OreCorp, are engaging with the FCC in order to seek a confirmation from the FCC that the Existing Approval applies to the Offer or alternatively, provide a new approval for the Offer (Offer Approval). Silvercorp and OreCorp believe that, given the Existing Approval, this confirmation of application of Existing Approval or new Offer Approval will be completed within a shorter timeframe than typically required for this process (as an example, the public notice period has been reduced from 14 to 7 days). Accordingly, Silvercorp and OreCorp's current expectation is to receive the FCC decision by mid-February 2024.

In light of the circumstances, Silvercorp:

- undertakes not to exercise any rights it has in relation to the FCC intervention under the Offer or the Bid Implementation Deed unless and until the FCC has made a decision that would restrain, impede or prohibit or otherwise have a material adverse effect on the making or completion of the Offer; and
- intends to keep the Offer open until at least 23 February 2024 (to allow the FCC to make a determination in relation to the Offer Approval, although Silvercorp reserves the right not to extend the Offer Period if the FCC has not made such determination by the end of the Offer Period).

I encourage you to read this Bidder's Statement for more details about the Offer and accept the Offer as soon as possible.

The Offer is open for your acceptance until ~~10~~ 23 February 2024 unless extended or withdrawn. If you wish to accept the Offer, please follow the instructions in this Bidder's Statement and on your personalised Acceptance Form.

If you have any questions in relation to the Offer, please call the Silvercorp Information Line on 1300 290 691 (within Australia) or +61 2 9066 4081 (outside Australia) between 9:00am and 5:30pm (Sydney time) Monday to Friday, excluding public holidays in Sydney, or consult your professional adviser.

As Chairman and Chief Executive Officer of Silvercorp, I am excited by the future of the combined group and the future potential of the Nyanzaga Project, and look forward to welcoming you as a shareholder.

Yours sincerely



Dr. Rui Feng
Chairman, Chief Executive Officer
Silvercorp Metals Inc.

1 Why you should accept the Offer

The Offer provides OreCorp Shareholders with the opportunity to be exposed to enhanced trading liquidity, re-rating potential and participation in further upside from the Nyanzaga Project and Silvercorp's existing portfolio.

1.1 The OreCorp Directors unanimously recommend that you accept the Offer subject to the Independent Expert concluding, and continuing to conclude, that the Offer is reasonable to OreCorp Shareholders and there being no Superior Proposal

The OreCorp Directors recommend that you accept the Offer, in the absence of a Superior Proposal and subject to the Independent Expert concluding, and continuing to conclude, that the Offer is reasonable to OreCorp Shareholders.

Subject to those same qualifications, each OreCorp Director intends to accept, or procure the acceptance of, the Offer in relation to all OreCorp Shares in which they have a Relevant Interest, on the Acceptance Date.

As at the date of this Bidder's Statement, this represents in total approximately 18.5 million OreCorp Shares or 3.9% of the total number of OreCorp Shares on issue.

The Independent Expert has previously concluded that the Scheme Consideration was fair and reasonable to OreCorp Shareholders. The Offer Consideration is the same as the Scheme Consideration.

1.2 The implied value of the Offer Consideration represents an attractive premium to the trading prices of OreCorp Shares on ASX

The Offer Consideration comprises A\$0.19 in cash plus 0.0967 Silvercorp Shares for each OreCorp Shares.

As at the date of this [Bidder's Statement / Offer] (Sydney time, being after market close on [26 December 2023/•] Eastern Standard Time), the implied value of the Offer Consideration is A\$[0.583/•0.538] per OreCorp Share (being A\$0.19 in cash and 0.0967 of a Silvercorp common share valued at A\$[0.393/•0.348])², which represents a:

- [34/•24]% premium to the closing price of OreCorp Shares of A\$0.435 on ASX on 4 August 2023 (being the last trading day prior to the announcement of the Scheme);
- [39/•28]% premium to the 20-day VWAP of OreCorp Shares of A\$0.421 on ASX for the period ending 4 August 2023;
- [14/•5]% premium to the closing price of OreCorp Shares of A\$0.510 on ASX on 22 December 2023 (being the last trading day prior to the announcement of the Offer); and
- [24/•11]% premium to the 20-day VWAP of OreCorp Shares of A\$0.483 on ASX for the period ending 22 December 2023.

OreCorp Shareholders should be aware that the implied value of the Offer Consideration may move upwards and downwards with fluctuations in the market price of Silvercorp Shares on the TSX and the NYSE American as well as the applicable foreign exchange rate. The Offer Consideration being offered by Silvercorp of A\$0.19 cash plus 0.0967 Silvercorp Shares for

² Based on the Silvercorp Share's volumed weighted average market price of US\$2.41 in the ordinary course of trading during the two full trading days of 9 January 2024 and 10 January 2024 on the NYSE American ~~price of US\$[2.77/•]~~ and the AUD:USD exchange rate of ~~[1.468/•1.495]~~ as at 10 January 2024 ~~the close of trading on NYSE American on [26 December 2023/•] (Eastern Standard Time).~~

each OreCorp Share had an implied value of A\$0.64 per OreCorp Share prior to the announcement of the Scheme³ and ~~has had~~ an implied value of A\$~~[0.583/●]~~ per OreCorp Share as at the ~~date of this [Bidder's Statement/Offer] (Sydney time, being after market close on [26 December 2023/●] Eastern Standard Time)~~⁴Offer Announcement Date.

1.3 The Offer Consideration provides attractive liquidity to OreCorp Shareholders

The Offer Consideration provides OreCorp Shareholders with superior liquidity, compared to holding OreCorp Shares, and therefore the opportunity to more readily crystallise all or part of your investment, if you so choose.

Silvercorp has a current market capitalisation of approximately US\$~~[501.3/●]~~436.1 million⁵. The average daily trading volume of Silvercorp Shares across both the TSX and the NYSE American in the 12-month period prior to Offer Announcement Date was A\$~~[6.8/●]~~ million⁶, which is equivalent to approximately ~~[2.8/●]~~% of OreCorp's A\$243,344,590 fully diluted market capitalisation as at 22 December 2023, being the last trading day prior to the Offer Announcement Date. In comparison, the average daily trading volume of OreCorp Shares on ASX in the 12-month period prior to the Offer Announcement Date was A\$532,756, which is equivalent to only 0.2% of OreCorp's A\$243,344,590 fully diluted market capitalisation as at the Offer Announcement Date.

The liquidity of Silvercorp Shares in comparison to the trading of OreCorp Shares represents a significant advantage to OreCorp Shareholders, especially in volatile markets. If you choose to retain your OreCorp Shares, you may face risks associated with reduced liquidity leading to uncertainty as to the future monetisation of your investment.

1.4 The Offer provides OreCorp Shareholders with an opportunity to participate in any additional value created in Silvercorp

OreCorp Shareholders who accept the Offer and decide to retain Silvercorp Shares forming part of the Offer Consideration will become shareholders in a profitable and financially secure company. Silvercorp's strategy will be to continue creating shareholder value by focusing on generating free cashflow from long life mines; bringing development projects into commercial production; organic growth through optimisation, expansion, and extensive drilling for discovery at existing mines and projects; an ongoing merger and acquisition strategy to enhance diversification and grow accretively; and a long-term commitment to responsible mining and sound ESG practices.

Silvercorp also has a history of paying dividends. Silvercorp declared its first annual dividend of CAD\$0.05 per share in calendar year 2007 (Fiscal Year 2008) and has declared and paid dividends since Fiscal Year 2018. Since fiscal year ended 31 March 2019, Silvercorp has been paying semi-annual dividends of US\$0.0125 per share (US\$0.025 per share on an annual basis).

OreCorp Shareholders should note that the declaration and payment of future dividends, if any, is at the discretion of the Silvercorp Board and will be based on a number of relevant factors including commodity prices, market conditions, financial results, cash flows from operations, and expected cash requirements.

³ Based on the 20-day VWAP of Silvercorp's Shares on the NYSE American for the period ending 3 August 2023 converted to Australian dollars using an AUD:USD exchange rate of 1.526.

⁴ ~~Based on the Silvercorp Share price of US\$[2.77/●] and the AUD:USD exchange rate of [1.468/●] as at the close of trading on NYSE American on [26 December 2023/●] (Eastern Standard Time).~~

⁵ Based on the ~~[180,976,863/●]~~180,956,113 Silvercorp fully diluted Shares outstanding and the closing price of Silvercorp Shares on the NYSE American of US\$~~[2.77/●]~~2.41 per Silvercorp Share on as at the close of trading on NYSE American on ~~[26 December 2023/●]~~10 January 2024 (Eastern Standard Time).

⁶ Based on the daily VWAP and total number of shares traded per day, converted into Australian dollars using the prevailing Canadian dollar to Australian dollar exchange rate for trading on the TSX, and US dollar to Australian dollar exchange rate for trading on the NYSE American).

1.5 The Offer mitigates certain shareholder dilution and development risks associated with the development of OreCorp's Nyanzaga Project

Acceptance of the Offer reduces your exposure to the risks inherent in any new mine development, which includes financing, operational and regulatory risks.

In particular, the development of the Nyanzaga Project will require substantial capital and OreCorp would need to raise significant equity capital to fund the development of the project, in addition to working capital, and likely at a discount to the prevailing price of an OreCorp Share of A\$0.435 prior to the Scheme Announcement Date. Such an equity raise would likely result in significant dilution of your ownership interest in OreCorp, unless you invest further capital in OreCorp.

OreCorp has nearly completed making payments under the Resettlement Action Plan, necessary to advance the development of the project. If it does not secure sufficient funds to demonstrate intent and continue the construction of the Nyanzaga Project, its goodwill with the Government of Tanzania and the local community may be jeopardised.

As at 30 September 2023, Silvercorp had cash and cash equivalents and short term investments of US\$189.1 million and an equity investment portfolio in associates and other companies with a total market value of US\$124.0 million. Silvercorp's balance sheet, together with its track record of cash generation from its existing asset base, provide significantly greater certainty of funding and negotiating flexibility with respect to the development and commissioning of the Nyanzaga Project.

The development of the Nyanzaga Project is also subject to regulatory and jurisdiction risks in Tanzania. For example, the Government of Tanzania (through the Treasury Registrar) currently holds a 16% non-dilutable free carried interest (the **Free Carried Interest Shares**) in the share capital of Sotta Mining Corporation Limited (**SMCL**). In addition, the Government of Tanzania has a right to acquire, in total, up to 50% of the share capital of SMCL, determined by the total value of the tax expenditures enjoyed by the SMCL. However, relevant legislation also provides that the Government of Tanzania agrees and undertakes that any increase in ownership or economic participation rights by the Government of Tanzania in addition to the 16 percent Free Carried Interest Shares will be by agreement between the parties, and that the Government of Tanzania will not unilaterally seek to increase such ownership or economic participation rights.

Silvercorp has designed, permitted and constructed multiple mining and processing facilities, requiring it to establish and maintain constructive relationships with diverse stakeholders, including communities, regulators, and various levels of government. Silvercorp intends to apply its philosophy of openness, transparency and cooperation to facilitate the prompt development of the Nyanzaga Project for the benefit of all involved.

1.6 Since the announcement of the Scheme, no Superior Proposal has emerged

Since the announcement of the Scheme (being 6 August 2023), no Superior Proposal has emerged, and Silvercorp's offer to acquire OreCorp Shares (previously, under the Scheme or currently, under this Offer) remains the only offer to OreCorp Shareholders.

On 27 November 2023 Perseus announced the acquisition of a Relevant Interest in 19.9% of the OreCorp Shares. Perseus also announced that it intended to vote against the Scheme without submitting an alternative proposal. Perseus effectively blocked the Scheme ~~leaving and left~~ OreCorp Shareholders without ~~offering any~~ alternative liquidity opportunity until this Offer was announced.

Since then and ~~M~~more than ~~three-7~~ weeks later, Perseus has still not given any indications to OreCorp or the all OreCorp Shareholders of its motives or plans or, as far as Silvercorp is aware, made a competing proposal to OreCorp that would provide liquidity to all OreCorp Shareholders. As the second largest OreCorp Shareholder, Silvercorp is ~~has~~ concerned that whatever Perseus intends to do in relation to the Nyanzaga Project may not deliver OreCorp Shareholders with any liquidity opportunity in the near future, or a liquidity

opportunity with a better or similar value to the Offer Perseus intends to landbank the Nyanzaga Project and has motives that do not align with all other OreCorp Shareholders.

1.7 ~~Any alternative proposal likely to be subject to additional conditions and risks~~

~~An alternative proposal, if any, is likely to be subject to additional conditions and risks not present in the Offer.~~

~~For example, Silvercorp obtained the approval of the Tanzania Fair Competition Commission (FCC) for the proposed acquisition of control of OreCorp approximately two months after the application was submitted. Even if an alternative proposal for control of OreCorp is made, it is likely to be at least a further three months before the OreCorp Shareholders will have a liquidity opportunity under that alternative proposal. There is also uncertainty as to whether an alternative proposal would be successful in receiving the approval from the FCC.~~

4.8 1.7 OreCorp's share price may fall after the Offer Lapses

The closing OreCorp Share price on 4 August 2023, being the last trading day prior to the Scheme Announcement Date, was A\$0.435. The closing OreCorp Share price on 22 December 2023, being the last trading day prior to the Offer Announcement Date, was A\$0.510.

If the Offer lapses and there is no other offer available, OreCorp would be subject to a number of risks including those noted in section 1.5, as well as other risks such as risks with respect to the Government of Tanzania due to lack and delay of progress and that certain substantial OreCorp Shareholders may have interests that do not align with the OreCorp Board or other OreCorp Shareholders. All of these factors could result in the OreCorp Share price trading at levels below the Offer price once the Offer (and any other offer available at that time) have lapsed, although this is difficult to predict with any degree of certainty. As a result, OreCorp Shareholders who have not accepted the Offer before it lapses may not have another opportunity to sell their OreCorp Shares for the implied value per OreCorp Share under the Offer, being A\$~~[0.583/•~~ 0.538] per OreCorp Share⁷.

⁷ Based on the Silvercorp Share's volumed weighted average market price of US\$2.41 in the ordinary course of trading during the two full trading days of 9 January 2024 and 10 January 2024 on the NYSE American ~~price of US\$[2.77/•]~~ and the AUD:USD exchange rate of ~~[1.468/•1.495]~~ as at 10 January 2024 ~~the date of this [Bidder's Statement/Offer] (Sydney time, being after market close on [26 December 2023/•] Eastern Standard Time).~~

2 Frequently Asked Questions

You may have questions in relation to the Offer. The following set of questions and answers is intended to assist in your understanding of the Offer. They are qualified by, and should be read in conjunction with, the detailed information contained in this Bidder's Statement. You should read the Bidder's Statement in full before deciding whether or not to accept the Offer. You should also have reference to the Target's Statement which OreCorp will send to OreCorp Shareholders as required under the Corporations Act.

If you have any further questions about the Offer or how to accept it, please call the Silvercorp Information Line on 1300 290 691 (within Australia) or +61 2 9066 4081 (outside Australia) between 9:00am and 5:30pm (Sydney time) Monday to Friday, excluding public holidays in Sydney. This line will only be open from the date the Offer opens until one week after it closes.

#	Question	Answer	Further information
1	What is the Offer?	<p>Silvercorp is offering to buy all of the OreCorp Shares it does not already own (including all Rights attaching to those OreCorp Shares) by way of an off-market takeover bid.</p> <p>If you accept the Offer, and the Offer is declared or becomes unconditional, you will receive the Offer Consideration, being:</p> <ul style="list-style-type: none"> • \$0.19 cash; and • 0.0967 Silvercorp Shares. <p>The Offer relates to all OreCorp Shares that exist or will exist on the Register Date, other than the OreCorp Shares owned by Silvercorp. The Offer also extends to all OreCorp Shares that are issued during the Offer Period due to conversion of any OreCorp Performance Rights that exist at the Register Date.</p>	<p>Section 3.1</p> <p>Offer Terms in Appendix 1</p>
2	Who is Silvercorp?	<p>Silvercorp is a Vancouver based Canadian mining company producing silver, gold, lead, zinc and other metals with a long history of profitability and growth. Silvercorp's strategy is to create shareholder value by focusing on generating free cashflow from long life mines, organic growth through extensive drilling for discovery, ongoing merger and acquisition efforts to unlock value, and long-term commitment to responsible mining and sound environmental, social and governance practices.</p>	Section 4
3	What is the implied value of the Offer Consideration?	<p>As at the date of this [Bidder's Statement/Offer] (Sydney time, being after market close on [26 December 2023/●])</p>	Section 1.2

#	Question	Answer	Further information
		<p>Eastern Standard Time), tThe implied value of the Offer Consideration is A\$[0.583/•0.538] per OreCorp Share (being A\$0.19 in cash and 0.0967 of a Silvercorp common share valued at A\$[0.393/•0.348])⁸.</p> <p>It is important to note that the value of a Silvercorp Share and therefore the Offer Consideration may move upwards and downwards with fluctuations in the market price of Silvercorp Shares on the TSX and the NYSE American as well as the applicable foreign exchange rate.</p>	
4	When does the Offer close?	The Offer is currently scheduled to close at 7.00 pm (Sydney Time) on [•]23 February 2024 , unless extended or withdrawn.	<p>Section 3.1</p> <p>Clause 3 of the Offer Terms in Appendix 1</p>
5	Are there any circumstances in which I will not be entitled to receive Silvercorp Shares?	If you are an Ineligible Foreign Shareholder or an Unmarketable Parcel Shareholder, you will not be provided with Silvercorp Shares. Instead, you will receive the net proceeds of the sale (after deducting the applicable brokerage (applied at market standard rates), taxes and charges) of the Silvercorp Shares you would have otherwise been entitled to.	<p>Sections 3.1, 3.3 and 12.1512.14</p> <p>Clauses 2.2 and 6.3 of the Offer Terms in Appendix 1</p>
6	Can Silvercorp extend the time at which the Offer is to close?	Yes, the Offer Period can be extended at Silvercorp's election or otherwise in accordance with the Corporations Act. Silvercorp will give written notice of any extension of the Offer Period in accordance with the Corporations Act.	<p>Section 3.1</p> <p>Clause 3 of the Offer Terms in Appendix 1</p>
7	What are the conditions to the Offer?	<p>The Offer is subject to a limited number of conditions, including:</p> <ul style="list-style-type: none"> • a 50.1% Minimum Acceptance Condition; • TSX and NYSE American Stock Exchange Approval Condition; • aNo RRegulatory aAction occurringCondition; • no Material Adverse Change; 	<p>Section 3.1</p> <p>Offer Conditions in Appendix 2</p> <p>Section 12.7.</p>

⁸ Based on the Silvercorp Share's [volumed weighted average market price of US\\$2.41 in the ordinary course of trading during the two full trading days of 9 January 2024 and 10 January 2024 on the NYSE American](#) ~~price of US\$[2.77/•]~~ and the AUD:USD exchange rate of ~~[1.468/•1.495]~~ as at [10 January 2024](#) ~~the date of this [Bidder's Statement/Offer] (Sydney time, being after market close on [26 December 2023/•] Eastern Standard Time).~~

#	Question	Answer	Further information
		<ul style="list-style-type: none"> no Prescribed Occurrences occurring; and no other prescribed events. <p>Silvercorp has agreed that, within 3 Business Days after both the Minimum Acceptance Condition and the Stock Exchange Approval Condition are satisfied, it will waive all Offer Conditions other than any Offer Condition in respect of which Silvercorp has publicly announced a breach or suspected breach before that time. OreCorp Shareholders should be aware that Silvercorp has announced that the No Regulatory Action Condition will be breached if the FCC does not determine that the Existing Approval is valid for the change of control of OreCorp associated with the Offer, and does not grant a new approval in relation to the Offer.</p>	
8	What happens if the Offer Conditions are not satisfied?	If the Offer Conditions are not satisfied or waived at the end of the Offer Period, then the Offer will lapse and your acceptance will be void. You will continue to hold your OreCorp Shares and be free to deal with your OreCorp Shares as if the Offer had not been made.	Clause and 7.3 of the Offer Terms in Appendix 1
9	Do the OreCorp Directors support the Offer?	OreCorp Directors unanimously recommend that OreCorp Shareholders accept the Offer in the absence of a Superior Proposal and subject to the Independent Expert concluding, and continuing to conclude, that the Offer is reasonable to OreCorp Shareholders.	Section 1.1
10	What will the OreCorp Directors be doing in relation to their OreCorp Shares?	The OreCorp Directors intend to accept the Offer in respect of the OreCorp Shares they hold or control on the Acceptance Date in the absence of a Superior Proposal and subject to the Independent Expert concluding, and continuing to conclude, that the Offer is reasonable to OreCorp Shareholders.	Section 1.1
11	What happens if I accept and then Silvercorp increases the Offer Consideration?	<p>In the absence of an alternative proposal being announced, the value you receive will not be increased.</p> <p>If Silvercorp improves the Offer Consideration, all OreCorp Shareholders who accept the Offer (whether they have accepted the Offer before or after improvement of the Offer Consideration)</p>	

#	Question	Answer	Further information
		will be entitled to receive the benefit of the improved Offer Consideration, should the Offer become or be declared unconditional.	
12	What choices do I have as an OreCorp Shareholder?	<p>As an OreCorp Shareholder, you have the following choices in respect of your OreCorp Shares:</p> <ul style="list-style-type: none"> • accept the Offer; • sell your OreCorp Shares on the ASX (unless you have already accepted the Offer for your OreCorp Shares); or • do nothing. 	
13	How do I accept the Offer?	To accept the Offer, you should follow the instructions set out in clause 4 of Appendix 1 and instructions on your personalised Acceptance Form which accompanies this Bidder's Statement.	<p>Clause 4 of the Offer Terms in Appendix 1</p> <p>Your personalised Acceptance Form</p>
14	When will I receive the Offer Consideration?	If you accept the Offer, Silvercorp will pay you (other than an Eligible Foreign Shareholder or an Unmarketable Parcel Shareholders) the Offer Consideration on or before 10 Business Days after the later of receipt of your acceptance and the date on which the Offer becomes unconditional.	<p>Section 3.1</p> <p>Clause 6 of the Offer Terms in Appendix 1</p>
15	Can I accept the Offer for part of my holding?	No. You cannot accept the Offer for part of your holding. You may only accept the Offer for all of the OreCorp Shares held by you.	Clause 4.2 of the Offer Terms in Appendix 1
16	Will my Silvercorp Shares be quoted on the ASX?	<p>No, as Silvercorp is not listed on the ASX. Silvercorp is listed on the TSX and NYSE American.</p> <p>The Offer is subject to a Stock Exchange Approvals Condition. Silvercorp has applied for the New Silvercorp Shares issuable under the Offer to be quoted on the TSX and NYSE American. Subject to the Stock Exchange Approvals Condition being satisfied, quotation of these New Silvercorp Shares will commence as soon as practicable after the relevant New Silvercorp Shares are issued.</p> <p>Silvercorp continues to explore the possibility of being admitted to the official</p>	<p>Clause 5 of the Offer Terms in Appendix 1</p> <p>Section 7.2(c)</p>

#	Question	Answer	Further information
		list of ASX, and if that occurs, holders of Silvercorp Shares will be able to convert their Silvercorp Shares into Silvercorp CDIs which will be tradeable on the ASX.	
17	-What rights will my Silvercorp Shares have?	The Silvercorp Shares issued under this Offer will be issued fully paid and will from the time of issue rank equally with existing Silvercorp Shares.	Section 5.4 Clause 2.4 of the Offer Terms in Appendix 1
18	Can I withdraw my acceptance?	Under the Offer Terms, you cannot withdraw your acceptance unless a withdrawal right arises under the Corporations Act. Such a withdrawal right will arise if, after you have accepted the Offer, Silvercorp varies the Offer in a way that postpones, for more than one month, the time when Silvercorp has to meet its obligations under the Offer (eg. if Silvercorp extends the Offer for more than 1 month while the Offer remains conditional).	Clause 8.1 of the Offer Terms in Appendix 1
19	What are the consequences of accepting the Offer now?	Once you have validly accepted the Offer you will not be able to sell your OreCorp Shares on market, accept any other offer or otherwise deal with your OreCorp Shares even if a Superior Proposal is subsequently made by a Third Party. You will also no longer be entitled to any Rights declared, paid, made, accrued or which may arise in the future.	Clause 8 of Appendix 1
20	Are there any risks in accepting the Offer?	If you accept the Offer and the Offer becomes or is declared unconditional, you will be issued with Silvercorp Shares as part of the Offer Consideration (unless you are an Ineligible Foreign Shareholder or an Unmarketable Parcel Shareholder). There are a number of risk factors associated with an investment in Silvercorp Shares and with the Offer itself.	Section 10
21	What happens if I do not accept the Offer?	If you do not accept the Offer and Silvercorp acquires a Relevant Interest in at least 90% of OreCorp Shares and the other conditions of the Offer are satisfied or waived, Silvercorp intends to proceed to compulsorily acquire outstanding OreCorp Shares. If this occurs, you will receive the Offer Consideration for each of your OreCorp Shares at the conclusion of this process. You will receive the Offer Consideration sooner if you accept the Offer, rather than being compulsorily acquired.	Sections 7

#	Question	Answer	Further information
		If the Offer becomes or is declared unconditional but Silvercorp does not become entitled to compulsorily acquire your OreCorp Shares, you will remain a shareholder of OreCorp. In these circumstances and, depending on the number of OreCorp Shares acquired by Silvercorp, as a result of the Offer you may be a minority shareholder in what may be a less liquid stock. Silvercorp will seek to have OreCorp delisted from the ASX if relevant conditions required by ASX are met. If delisting occurs, your OreCorp Shares will no longer be quoted or able to be traded on the ASX.	
22	Can I sell my OreCorp Shares on the ASX?	Yes, you may sell your OreCorp Shares, but you may incur brokerage costs if you do. If you have already accepted the Offer, you will be unable to settle any subsequent sale of your OreCorp Shares, unless you are entitled to withdraw your acceptance in accordance with the terms of the Offer.	
23	Does Silvercorp currently have a Relevant Interest in OreCorp?	Yes, as at the date of this Bidder's Statement, Silvercorp has a Relevant Interest in 15.74% of the OreCorp Shares.	Section 12.4
24	How is the Offer being funded?	<p>The Offer Consideration comprises of A\$0.19 cash and 0.0967 Silvercorp Shares for each OreCorp Share.</p> <p>The cash component of the Offer Consideration will be funded from existing cash reserves of Silvercorp. As at 30 September 2023, Silvercorp had cash and cash equivalents of US\$119,098,000, exceeding the maximum aggregated Cash Consideration payable by Silvercorp under the Offer.</p>	Section 9
25	What are the tax implications of accepting this Offer?	Section 11 contains an overview of the Australian taxation implications of accepting this Offer. However, this information is general only and does not take account of your personal circumstances. Silvercorp recommends you seek independent professional advice in relation to your own particular circumstances.	Section 11
26	Will I need to pay brokerage or stamp duty if I accept the Offer?	If your OreCorp Shares are registered in an Issuer Sponsored Holding in your name and you deliver them directly to Silvercorp, you will not incur any	Section 11

#	Question	Answer	Further information
		<p>brokerage connected with you accepting the Offer.</p> <p>If your OreCorp Shares are in a CHESS Holding or you hold your OreCorp Shares through a bank, custodian or other nominee, you should ask your Controlling Participant (usually, your Broker or the bank, custodian or other nominee) whether it will charge any transaction fees or service charges connected with you accepting the Offer.</p> <p>If you are an Ineligible Foreign Shareholder or an Unmarketable Parcel Shareholder, the cash proceeds that you will receive (following the sale by the Nominee of the Silvercorp Shares that you would otherwise be entitled to receive under the Offer) will be net of transaction costs.</p>	Clause 6 of the Offer Terms in Appendix 1
27	Where to go if I have any questions?	If you have any questions in relation to the Offer, please call the Silvercorp Information Line on 1300 290 691 (within Australia) or +61 2 9066 4081 (outside Australia) between 9:00am and 5:30pm (Sydney time) Monday to Friday, excluding public holidays in Sydney. This line will only be open from the date the Offer opens until one week after it closes.	

3 Overview of the Offer

The following is a summary only of the Offer and is qualified by the detailed information contained in the rest of this Bidder's Statement. You should read this Bidder's Statement in full before deciding how to deal with your OreCorp Shares.

The terms and conditions of the Offer are contained in Appendices 1 and 2.

3.1 Summary of the Offer terms and conditions

Offer

Silvercorp offers to acquire all of your OreCorp Shares on the Offer Terms set out in Appendices 1 and 2. You will receive \$0.19 cash and 0.0967 Silvercorp Shares for every OreCorp Share acquired from you.

The Offer relates to OreCorp Shares that exist or will exist as at the Register Date, being 7.00pm (Sydney time) on 27 December 2023.

The Offer also extends to all OreCorp Shares that are issued between that date and the end of the Offer Period as a result of exercise of OreCorp Performance Rights and OreCorp Options that exist on the Register Date.

Silvercorp is not offering to acquire any OreCorp Options under the Offer. Instead, in accordance with the terms of the Bid Implementation Deed, Silvercorp has agreed to make an offer to each holder of OreCorp Options for the acquisition of their OreCorp Options in exchange for the Ascribed Value applicable to the relevant OreCorp Option.

If you are an Ineligible Foreign Shareholder or an Unmarketable Parcel Shareholder you will not receive Silvercorp Shares (see section 3.3).

Offer Period

The Offer is scheduled to close at 7.00pm (Sydney time) on ~~1~~23 February 2024 (but it may be extended).

Payment Date

If you accept the Offer in accordance with the instructions contained in the Offer and your personalised Acceptance Form, and you are not an Ineligible Foreign Shareholder or an Unmarketable Parcel Shareholder, you will be provided with the Offer Consideration on or before 10 Business Days after the later of receipt of your acceptance and the date on which the Offer becomes unconditional, provided that all relevant documents have been received and correctly completed.

Offer Conditions

The Offer is subject to a limited number of conditions as set out in Appendix 2 to this Bidder's Statement, including:

- (a) a 50.1% Minimum Acceptance Condition;
- (b) a Stock Exchange Approvals Condition ;
- (c) ~~a~~No ~~F~~Regulatory ~~a~~Action ~~occurring~~Condition;
- (d) no Material Adverse Change;
- (e) no Prescribed Occurrences occurring; and

- (f) no other prescribed events occurring.

This is only a summary of the Offer Conditions. The Offer Conditions are set out in full in Appendix 2.

In relation to the Stock Exchange Approvals Condition, Silvercorp has already submitted its application to the TSX and NYSE American for the granting of quotation of the New Silvercorp Shares issuable under the Offer.

Silvercorp has agreed that, in accordance with the terms of the Bid Implementation Deed, within 3 Business Days after both the Minimum Acceptance Condition and the Stock Exchange Approvals Condition are satisfied, it will waive all Offer Conditions other than any Offer Condition in respect of which Silvercorp has publicly announced a breach or suspected breach before that time. [OreCorp Shareholders should be aware that Silvercorp has announced that the No Regulatory Action Condition will be breached if the FCC does not determine that the Existing Approval is valid for the change of control of OreCorp associated with the Offer, and does not grant a new approval in relation to the Offer \(see Section 12.7\).](#)

If the Offer Conditions are not satisfied or waived then the Offer will not proceed.

3.2 How to accept the Offer?

Acceptances for the Offer must be received in sufficient time to be acted upon before the close of the Offer Period. To accept the Offer you should follow the instructions set out in clause 4 of Appendix 1 and the Acceptance Form.

3.3 How will Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders be treated?

Generally speaking, if your address on OreCorp's Register is in a jurisdiction other than Australia, New Zealand, the United Kingdom or Canada or if you are a US Purchaser, you will be considered an Ineligible Foreign Shareholder.

If you are an Ineligible Foreign Shareholder or an Unmarketable Parcel Shareholder, you are entitled to accept the Offer just like any other OreCorp Shareholder. Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders that accept the Offer will not receive Silvercorp Shares. Rather, the Silvercorp Shares that Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders would have been entitled to receive will be issued to, and sold by, the Nominee and the net cash proceeds attributable to each Ineligible Foreign Shareholder and Unmarketable Parcel Shareholder will be paid to them in Australian dollars.

Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders should read clause 6.3 of the Offer Terms of Appendix 1, which provides further information on this process.

3.4 What will the tax consequences be?

Section 11 provides an overview of the tax implications for OreCorp Shareholders who accept the Offer. The information applies to Australian resident OreCorp Shareholders who hold their OreCorp Shares on capital account. Note that this information is general only and does not take into account your personal circumstances. In addition, Silvercorp recommends you seek independent professional advice in relation to your own particular circumstances.

3.5 Further information

If you have any questions in relation to the Offer or how to accept it, or if you have lost your personalised Acceptance Form and require a replacement, please call the Silvercorp Information Line on 1300 290 691 (within Australia) or +61 2 9066 4081 (outside Australia) between 9:00am and 5:30pm (Sydney time) Monday to Friday, excluding public holidays in Sydney. This line will be open from the date the Offer opens until one week after it closes.

4 Information about Silvercorp

4.1 Overview

Silvercorp is a Vancouver based Canadian mining company producing silver, gold, lead, zinc and other metals with a long history of profitability and growth. Silvercorp's strategy is to create shareholder value by focusing on generating free cashflow from long life mines, organic growth through extensive drilling for discovery, ongoing merger and acquisition efforts to unlock value, and long-term commitment to responsible mining and sound environmental, social and governance (**ESG**) practices. Further details of Silvercorp's approach to environmental, social and governance management can be found in its Sustainability Report which is available on the Silvercorp's website at <https://silvercorpmetals.com/reporting/>.

Silvercorp was formed in British Columbia, Canada as Spokane Resources Ltd pursuant to an amalgamation of Julia Resources Corporation and MacNeill International Industries Inc. on October 31, 1991. The name of the company was changed to "Silvercorp Metals Inc." on 2 May 2005. Silvercorp was admitted to TSX on 24 October 2005 and the NYSE American on or around 15 May 2017 (both under the symbol "SVM").

Silvercorp has interests in mineral properties located in China and Mexico, with its main assets being several silver-lead-zinc mines at the Ying Mining District in Henan Province, China (**Ying Mining District**) and the Gaocheng silver-lead-zinc mine in Guangdong Province, China (**GC Mine**).

Silvercorp has been acquiring, exploring, developing, and operating mineral properties in China since 2003. Production at the SGX Mine at the Ying Mining District commenced on 1 April 2006 and the SGX Mine achieved profitability during the first year commercial mining operation in fiscal year 2007. Since that time, several of Silvercorp's other mining properties at the Ying Mining District have commenced production. The GC Mine commenced production in July 2014.

Silvercorp's principal products and its sources of sales are silver-bearing lead and zinc concentrates. At present, Silvercorp sells all its products to local smelters or companies in the mineral products trading business.

4.2 Key business operations

Silvercorp's material properties consist of two producing mines, at the Ying Mining District in Henan Province, China and the GC Mine located in Guangdong Province, China.

The information contained in this section 4.2 was prepared in accordance with Canadian National Instrument 43-101 – Standards of Disclosure for Mineral Projects (**NI 43-101**) and the Canadian Institute of Mining, Metallurgy and Petroleum (**CIM**) – CIM Definition Standards for Mineral Resources and Mineral Reserves, adopted by the CIM Council, as amended (**CIM Standards**). Accordingly, the mineral resources and mineral reserves estimates for Silvercorp were prepared using the CIM Standards and do not purport to be reported in accordance with or otherwise compliant with the JORC Code. Because the estimates have not been prepared in accordance with the JORC Code, they are classified as "foreign estimates" under the ASX Listing Rules. However, Silvercorp notes the similarity of the CIM Standards and the JORC Code. For further information about relevant terms applicable to, and the similarities between, the JORC Code and NI 43-101, see section [12.942-8](#).

In relation to the reliability of the foreign estimates of CIM Mineral Resources and CIM Mineral Reserves (of Silvercorp) contained in this Bidder's Statement, it should be noted that:

- the foreign estimates are not reported in accordance with the JORC Code;
- a Competent Person has not done sufficient work to classify the foreign estimates as Mineral Resources or Ore Reserves in accordance with the JORC Code;

- it is currently uncertain whether, following evaluation and/or further exploration work, these foreign estimates will be able to be reported as Mineral Resources or Ore Reserves in accordance with the JORC Code; and
- these foreign estimates have not been published with all the supporting data and such foreign estimates have not been verified by independent third parties.

See the disclosures required by ASX Listing Rule 5.12 in section 4.2(c). For further information about the reporting standards applicable to Silvercorp, see section [12.9](#)~~12.8~~.

(a) **Ying Mining District**

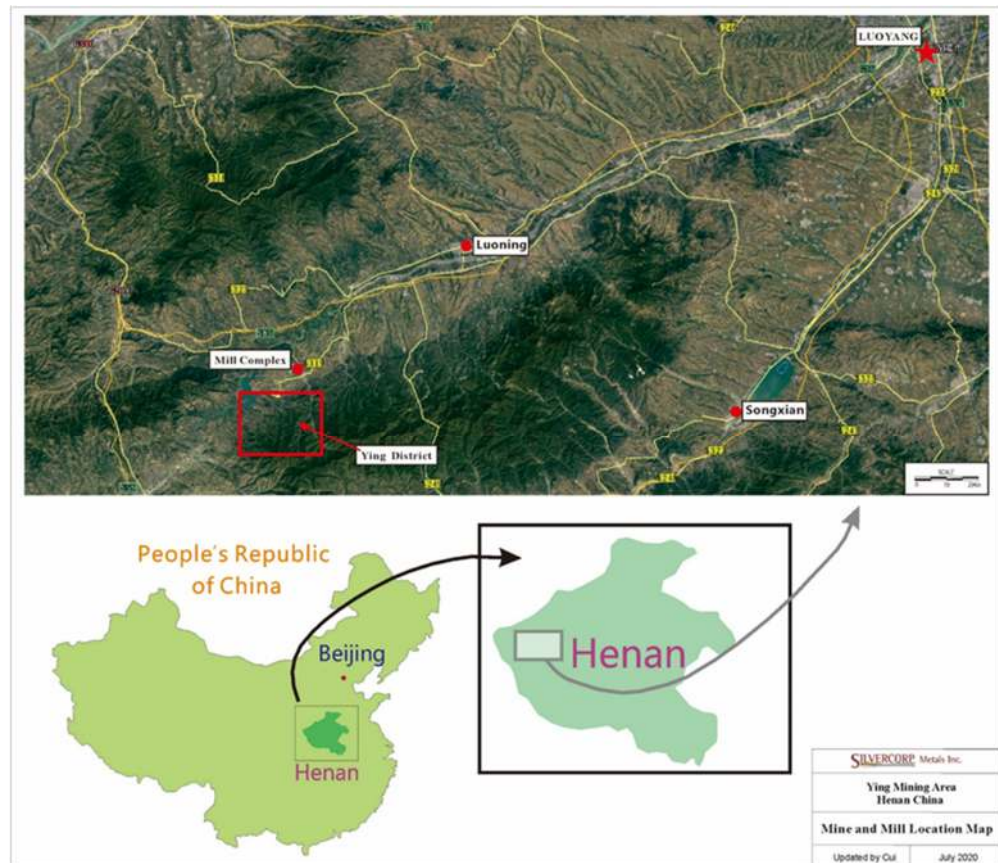
Except as otherwise stated, technical information in relation to the Ying Mining District in this Bidder's Statement is based on the latest Technical Report titled "*NI 43-101 Technical Report Update on the Ying Ag-Pb-Zn Property in Henan Province, People's Republic of China*" (the **Ying 2022 Technical Report**), effective date 20 September 2022, and prepared by AMC Mining Consultants (Canada) Ltd. (**AMC**) with report date 3 November 2022 (and released on SEDAR+ on 4 November 2022), and was restated in Silvercorp's Annual Information Form dated 1 June 2023 for the Fiscal Year ended 31 March 2023.

Portions of the following information are based on the assumptions, qualifications and procedures described in the Ying 2022 Technical Report, which are not fully described in this Bidder's Statement. The full text of the Ying 2022 Technical Report is available for review on SEDAR+ at www.sedarplus.ca.

Location and history

The Ying Mining District is about 240 km west-southwest of Zhengzhou, the capital city of Henan Province, China, and 145 km *south*-west of Luoyang, which is the nearest major city. The nearest small city to the Ying Mining District area is Luoning, about 56 km by paved roads from the Ying Mining District mill site, which is located to the north of the mining licence areas.

Location of the Ying Mining District



Silver-lead-zinc mineralisation in the Ying Mining District has been known and intermittently mined for several hundred years. The first systematic geological prospecting and exploration was initiated in 1956 by the Chinese government.

Silvercorp acquired an interest in the SGX Mine in 2004. Subsequently, Silvercorp acquired the HZG Mine, HPG Mine, TLP Mine, LME Mine, LMW Mine, and DCG Mine, all of which were previously held and operated by private Chinese companies.

Mining licences and ownership

The Ying Mining District consists of seven mines:

- a flagship silver-lead-zinc project (the **SGX Mine**) and a satellite silver-lead mine (the **HZG Mine**) located approximately 5km south of the SGX Mine;
- a silver-lead mine in Tieluping (the **TLP Mine**) approximately 11km southeast of the SGX Mine;
- a silver-gold-lead-zinc mine in Haopinggou (the **HPG Mine**) northeast of the SGX Mine;
- a silver-lead-zinc mine in Longmen East (the **LME Mine**) approximately 12km to southeast of the SGX Mine;
- a silver-lead-zinc mine in Longmen West (the **LMW Mine**) approximately 2.4km to the west of the LME Mine; and
- a development project in Dong Cao Gou (the **DCG Mine**).

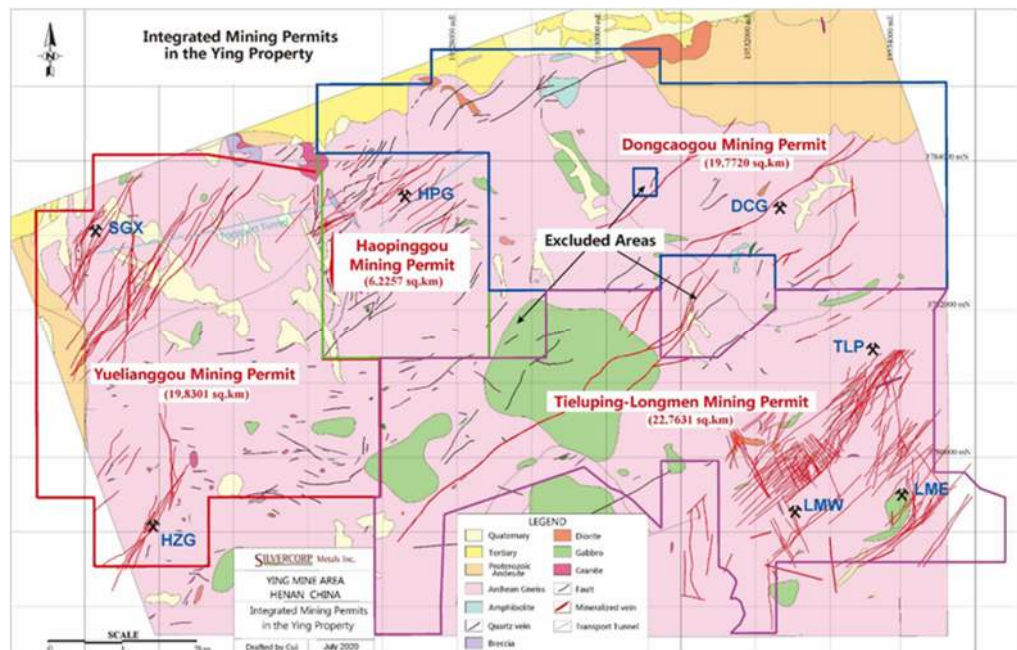
The Ying Mining District consists of four continuous mining licences, totalling an area of 68.6km²:

- Yuelianggou Mining License: SGX & HZG Mines (19.8 km²);
- Haopinggou Mining License: HPG Mine (6.2 km²);
- Tieluping-Longmen Mining License: TLP, LME, and LMW Mines (22.8km²); and
- Dongcaogou Mining License: DCG Mine (19.8km²).

All four mining licences are held by Henan Found Mining Co., Ltd. (**Henan Found**), a Sino-Foreign Cooperative Joint Venture Enterprise registered under Chinese law. Silvercorp holds (through its wholly-owned subsidiary Victor Mining Ltd) a 77.5% interest in Henan Found with the remaining 22.5% interest held by Henan Non-Ferrous Geology Minerals Ltd and its Related Entity Henan Xinxiangrong Mining Ltd. Henan Huawei Mining Co. Ltd. (**Henan Huawei**), another Sino-Foreign Cooperative Joint Venture Enterprise registered under Chinese law and controlled by Silvercorp, is the 100% beneficial owner of the HPG Mine and the LME Mine, through an ore purchase agreement between Henan Huawei and Henan Found. Silvercorp holds (through its wholly-owned subsidiary Victor Resources Ltd) an 80% interest in Henan Huawei. See section 4.3 for further information on Silvercorp's corporate structure.

Ying Mining District Mining Licences

Area and licence name	Mine	Mining licence number	Sq km	Expiry date	Registered licence holder
Yuelianggou lead-zinc-silver mine	SGX Mine and HZG Mine	C4100002009093210038549	19.8301	September 2024	Henan Found
Haopinggou lead-zinc-silver-gold mine	HPG Mine	C4100002016043210141863	6.2257	29 April 2028	Henan Found
Tieluping-Longmen silver-lead mine	TLP Mine, LME Mine and LMW Mine	C4100002016064210142239	22.7631	26 February 2041	Henan Found
Dongcaogou gold-silver mine	DCG Mine	C4100002015064210138848	19.772	15 June 2025	Henan Found



In addition, mining is only permitted between prescribed elevations as follows:

- Yuelianggou mining licence – 1,060m and 0m elevations;
- Haopinggou mining licence – 955m and the 365m elevations;
- Tieluping-Longmen mining licence – 1,250m and the 700m elevations; and
- Dongcaogou mining licence – 1,087m and the 605m elevations.

Henan Found has engaged an accredited geological team to prepare the reports needed to apply for extensions of the four mining permits to mine the ores below the current permits' lower limits.

Mining licences are subject to mining-right usage fees, and applicable taxes. The renewal of mining licences and extending of mining depth and boundaries occur in the ordinary course of business as long as mineral resources exist, are defined, the required documentation is submitted, and the applicable government resources taxes and fees are paid. The mining licences give the right to carry out full mining and mineral processing operations in conjunction with safety and environmental certificates. Safety certificates for Silvercorp's mining activities have been issued by the Department of Safety, Production and Inspection of Henan Province. Environmental certificates have been issued by the Department of Environmental Protection of Henan Province.

Surface rights for mining purposes are not included in the licences, but Silvercorp has acquired or leased surface rights for mining and milling activities by effecting payment of a fee based on the appraised value of the land or negotiation. Subject to negotiation, some land use compensation fees may also be due to the local farmers if their agricultural land is disturbed by exploratory work.

Production

The Ying Mining District is Silvercorp's primary source of production.

In fiscal year ending 31 March 2023 (**Fiscal 2023**):

- metals produced at the Ying Mining District were approximately 6.0 million ounces of silver, 4,400 ounces of gold, 60.3 million pounds of lead, and 7.2

million pounds of zinc, up 9%, 29%, 10%, and 6%, respectively, compared to 5.5 million ounces of silver, 3,400 ounces of gold, 54.9 million pounds of lead, and 6.8 million pounds of zinc in the fiscal year ending 31 March 2022 (**Fiscal 2022**); and

- average head grades of ore processed were 261 g/t for silver, 3.8% for lead, and 0.7% for zinc compared to 272 g/t for silver, 3.9% for lead, and 0.8% for zinc in Fiscal 2022.

In Fiscal 2023, the mining costs at the Ying Mining District were US\$78.63 per tonne, while the milling costs were US\$11.76 per tonne. The production costs per tonne of ore processed were US\$94.07, while the all-in sustaining costs per tonne of ore processed was US\$146.59. The cash costs per ounce of silver, net of by-product credits, at the Ying Mining District were US\$0.88. The all-in sustaining cost to produce an ounce of silver, net of by-product credits was US\$8.29.

CIM Mineral Resources

CIM Mineral Resources by mine for the Ying Mining District as of 31 December 2021 are presented in the table below. These estimates incorporate silver and lead in all deposits, zinc in select deposits and gold within select veins at select deposits. CIM Mineral Resources are reported above a cut-off grade (**COG**) based on in-situ values in AgEq terms in g/t. COGs incorporate mining, processing, and general and administrative costs which were provided by Silvercorp for each mine and reviewed by the QP for CIM Mineral Reserves. The AgEq formula and COG applied to each mine are noted in the footnotes of the table below.

Ying Mining District CIM Mineral Resources as of 31 December 2021

Mine	Resource category	Tonnes (Mt)	Au grade (g/t)	Ag grade (g/t)	Pb grade (%)	Zn grade (%)	Au metal (koz)	Ag metal (Moz)	Pb metal (kt)	Zn metal (kt)
SGX	Measured	3.51	0.05	290	5.56	2.75	5.48	32.81	195.38	96.62
	Indicated	3.13	0.01	247	4.67	2.17	0.57	24.86	146.14	68.04
	Meas + Ind	6.64	0.03	270	5.14	2.48	6.05	57.66	341.52	164.66
	Inferred	3.98	0.01	232	4.63	1.93	0.70	29.75	184.30	76.79
HZG	Measured	0.51	-	372	1.20	-	-	6.15	6.18	-
	Indicated	0.51	-	358	0.91	-	-	5.91	4.68	-
	Meas + Ind	1.03	-	365	1.06	-	-	12.06	10.86	-
	Inferred	0.55	-	326	0.83	-	-	5.75	4.55	-
HPG	Measured	0.77	1.37	94	3.87	1.40	33.91	2.31	29.73	10.72
	Indicated	0.92	1.60	68	3.17	1.22	47.36	2.01	29.22	11.26
	Meas + Ind	1.69	1.50	80	3.49	1.30	81.27	4.32	58.95	21.98
	Inferred	1.45	2.61	91	3.43	1.20	121.87	4.26	49.78	17.43
TLP	Measured	2.45	-	221	3.43	-	-	17.41	83.93	-
	Indicated	2.01	-	189	3.08	-	-	12.16	61.84	-
	Meas + Ind	4.46	-	206	3.27	-	-	29.58	145.77	-
	Inferred	3.76	-	180	2.86	-	-	21.78	107.46	-
LME	Measured	0.45	0.10	357	1.73	0.35	1.45	5.11	7.71	1.54
	Indicated	1.02	0.22	315	1.67	0.42	7.17	10.35	17.06	4.30
	Meas + Ind	1.47	0.18	327	1.69	0.40	8.62	15.46	24.77	5.85
	Inferred	1.49	0.65	221	1.45	0.41	30.86	10.55	21.58	6.03
LMW	Measured	0.94	0.21	325	2.63	-	6.45	9.78	24.65	-
	Indicated	2.16	0.36	232	2.04	-	24.84	16.12	43.91	-
	Meas + Ind	3.09	0.31	260	2.22	-	31.28	25.90	68.56	-
	Inferred	1.51	0.07	235	2.36	-	3.63	11.39	35.52	-
DCG	Measured	0.15	2.57	75	1.19	0.30	12.67	0.37	1.82	0.46
	Indicated	0.20	3.33	101	2.26	0.20	21.50	0.65	4.54	0.39
	Meas + Ind	0.35	3.00	90	1.80	0.24	34.17	1.02	6.36	0.85
	Inferred	0.32	1.44	98	2.70	0.21	14.77	1.00	8.58	0.67
All	Measured	8.78	0.21	262	3.98	1.25	59.96	73.94	349.40	109.34
	Indicated	9.95	0.32	225	3.09	0.84	101.44	72.06	307.39	83.99
	Meas + Ind	18.73	0.27	242	3.51	1.03	161.40	146.01	656.79	193.34
	Inferred	13.05	0.41	201	3.15	0.77	171.83	84.46	411.77	100.92

Notes:

- Measured and Indicated CIM Mineral Resources are inclusive of CIM Mineral Reserves.
- Metal prices: gold US\$1,450/roy oz, silver US\$18.60/roy oz, lead US\$0.95/lb, zinc US\$1.10/lb.
- Exchange rate: RMB 6.50: US\$1.00.
- CIM Mineral Resource reported 5 m below surface.
- Veins factored to minimum extraction width of 0.4 m after estimation.
- Cut-off grades: SGX 170 g/t AgEq; HZG 170 g/t AgEq; HPG 180 g/t AgEq; TLP 155 g/t AgEq; LME 180 g/t AgEq; LMW 160 g/t AgEq; DCG 155 g/t AgEq.
- AgEq equivalent formulas by mine:
 - $SGX = Ag\ g/t + 37.79 * Pb\% + 20.76 * Zn\%$
 - $HZG = Ag\ g/t + 36.31 * Pb\%$
 - $HPG = Ag\ g/t + 69.41 * Au\ g/t + 36.84 * Pb\% + 24.73 * Zn\%$
 - $TLP = Ag\ g/t + 36.65 * Pb\%$
 - $LME = Ag\ g/t + 35.84 * Pb\% + 10.44 * Zn\%$
 - $LMW = Ag\ g/t + 36.88 * Pb\%$
 - $DCG = Ag\ g/t + 36.84 * Pb\% + 24.73 * Zn\%$
- AgEq formulas used for significant gold bearing veins:
 - $SGX\ (Veins\ S16W_Au,\ S18E\ and\ S74) = Ag\ g/t + 66.25 * Au\ g/t + 37.79 * Pb\% + 20.76 * Zn\%$
 - $LME\ (Vein\ LM4E2) = Ag\ g/t + 66.70 * Au\ g/t + 35.84 * Pb\% + 10.44 * Zn\%$
 - $LMW\ (Veins\ LM22,\ LM26,\ LM50\ and\ LM51) = Ag\ g/t + 65.78 * Au\ g/t + 36.88 * Pb\%$
 - $DCG\ (Veins\ C9,\ C76) = Ag\ g/t + 69.41 * Au\ g/t + 36.84 * Pb\% + 24.73 * Zn\%$
- Exclusive of mine production to 31 December 2021.

- Numbers may not compute exactly due to rounding.

CIM Mineral Reserves

Summaries of CIM Mineral Reserve estimates for the Ying Mining District are set out in the table below. 46.9% of the CIM Mineral Reserve tonnage is categorized as Proven and 53.1% is categorized as Probable.

Ying Mining District CIM Mineral Reserve estimates for 31 December 2021

Mine	Category	Mt	Au (g/t)	Ag (g/t)	Pb (%)	Zn (%)	Metal contained in Mineral Reserves			
							Au (koz)	Ag (Moz)	Pb (kt)	Zn (kt)
SGX	Proven	2.62	0.05	267	5.12	2.46	4.0	22.53	134.1	64.5
	Probable	2.61	0.00	230	4.41	1.90	0.3	19.33	115.2	49.7
Total Proven & Probable		5.23	0.03	249	4.76	2.18	4.2	41.86	249.3	114.2
HZG	Proven	0.37	-	350	1.08	-	-	4.17	4.0	-
	Probable	0.36	-	347	0.77	-	-	4.06	2.8	-
Total Proven & Probable		0.73	-	348	0.93	-	-	8.23	6.8	-
HPG	Proven	0.35	1.41	89	3.38	1.39	15.8	1.00	11.7	4.8
	Probable	0.44	1.80	59	2.76	1.04	25.7	0.85	12.2	4.6
Total Proven & Probable		0.79	1.63	73	3.03	1.19	41.5	1.85	24.0	9.4
TLP	Proven	1.55	-	219	3.15	-	-	10.94	49.0	-
	Probable	1.02	-	204	2.91	-	-	6.70	29.7	-
Total Proven & Probable		2.58	-	213	3.05	-	-	17.64	78.7	-
LME	Proven	0.23	0.16	349	1.59	0.32	1.2	2.62	3.7	0.7
	Probable	0.68	0.30	316	1.62	0.40	6.6	6.91	11.0	2.7
Total Proven & Probable		0.91	0.27	325	1.61	0.38	7.9	9.53	14.7	3.4
LMW	Proven	0.57	0.33	321	2.27	-	6.0	5.86	12.9	-
	Probable	1.29	0.55	242	1.87	-	23.0	10.06	24.1	-
Total Proven & Probable		1.86	0.48	266	1.99	-	28.9	15.92	37.0	-
DCG	Proven	0.09	2.41	73	1.38	0.28	6.8	0.20	1.2	0.2
	Probable	0.13	3.84	104	1.87	0.15	15.4	0.42	2.3	0.2
Total Proven & Probable		0.21	3.25	91	1.67	0.20	22.2	0.62	3.5	0.4
Ying Mines	Proven	5.78	0.18	255	3.75	1.22	33.8	47.32	216.6	70.3
	Probable	6.54	0.34	230	3.02	0.87	70.9	48.32	197.5	57.2
Total Proven & Probable		12.32	0.26	241	3.36	1.03	104.7	95.65	414.1	127.5

Mine	Category	Mt	Au (g/t)	Ag (g/t)	Pb (%)	Zn (%)	Metal contained in Mineral Reserves			
							Au (koz)	Ag (Moz)	Pb (kt)	Zn (kt)
SGX	Proven	2.62	0.05	267	5.12	2.46	4.0	22.53	134.1	64.5
	Probable	2.61	0.00	230	4.41	1.90	0.3	19.33	115.2	49.7
Total Proven & Probable		5.23	0.03	249	4.76	2.18	4.2	41.86	249.3	114.2
HZG	Proven	0.37	-	350	1.08	-	-	4.17	4.0	-
	Probable	0.36	-	347	0.77	-	-	4.06	2.8	-
Total Proven & Probable		0.73	-	348	0.93	-	-	8.23	6.8	-
HPG	Proven	0.35	1.41	89	3.38	1.39	15.8	1.00	11.7	4.8
	Probable	0.44	1.80	59	2.76	1.04	25.7	0.85	12.2	4.6
Total Proven & Probable		0.79	1.63	73	3.03	1.19	41.5	1.85	24.0	9.4
TLP	Proven	1.55	-	219	3.15	-	-	10.94	49.0	-
	Probable	1.02	-	204	2.91	-	-	6.70	29.7	-
Total Proven & Probable		2.58	-	213	3.05	-	-	17.64	78.7	-
LME	Proven	0.23	0.16	349	1.59	0.32	1.2	2.62	3.7	0.7
	Probable	0.68	0.30	316	1.62	0.40	6.6	6.91	11.0	2.7
Total Proven & Probable		0.91	0.27	325	1.61	0.38	7.9	9.53	14.7	3.4
LMW	Proven	0.57	0.33	321	2.27	-	6.0	5.86	12.9	-
	Probable	1.29	0.55	242	1.87	-	23.0	10.06	24.1	-
Total Proven & Probable		1.86	0.48	266	1.99	-	28.9	15.92	37.0	-
DCG	Proven	0.09	2.41	73	1.38	0.28	6.8	0.20	1.2	0.2
	Probable	0.13	3.84	104	1.87	0.15	15.4	0.42	2.3	0.2
Total Proven & Probable		0.21	3.25	91	1.67	0.20	22.2	0.62	3.5	0.4
Ying Mines	Proven	5.78	0.18	255	3.75	1.22	33.8	47.32	216.6	70.3
	Probable	6.54	0.34	230	3.02	0.87	70.9	48.32	197.5	57.2
Total Proven & Probable		12.32	0.26	241	3.36	1.03	104.7	95.65	414.1	127.5

Notes:

- *Cut off grades (AgEq g/t): SGX – 235 Resuing, 195 Shrinkage; HZG – 245 Resuing, 195 Shrinkage; HPG – 260 Resuing, 200 Shrinkage; TLP – 225 Resuing, 190 Shrinkage; LME – 265 Resuing, 225 Shrinkage; LMW – 245 Resuing, 200 Shrinkage; DCG-225 Resuing, 190 Shrinkage.*
- *Stope Marginal cut off grades (AgEq g/t): SGX – 210 Resuing, 170 Shrinkage; HZG – 210 Resuing, 160 Shrinkage; HPG – 235 Resuing, 175 Shrinkage; TLP – 205 Resuing, 170 Shrinkage; LME – 210 Resuing, 170 Shrinkage; LMW – 205 Resuing, 160 Shrinkage; DCG – 205 Resuing, 170 Shrinkage.*
- *Development Ore cut off grades (AgEq g/t): SGX – 130; HZG – 125; HPG – 150; TLP – 125; LME – 125; LMW – 125; DCG – 125.*
- *Unplanned dilution (zero grade) assumed as 0.05m on each wall of a resuing stope and 0.10m on each wall of a shrinkage stope.*
- *Mining recovery factors assumed as 95% for resuing and 92% for shrinkage.*
- *Metal prices: gold US\$1,450/troy oz, silver US\$18.60/troy oz, lead US\$0.95/lb, zinc US\$1.10/lb.*
- *Processing recovery factors: SGX 91.5% Au, 95.9% Ag, 97.6% Pb, 60.0% Zn; HZG 96.8% Ag, 94.7% Pb; HPG 91.5% Au, 91.5% Ag, 90.8% Pb, 68.3% Zn; TLP 92.9% Ag, 91.7% Pb; LME 91.5% Au, 95.2% Ag, 92.0% Pb, 30.0% Zn; LMW 91.5% Au, 96.5% Ag, 95.9% Pb; DCG 91.5% Au, 91.5% Ag, 90.8% Pb, 68.3% Zn.*
- *Payables: Au 81%; Ag 91.0%; Pb 96.4%; Zn 74.4%.*
- *Exclusive of mine production to 31 December 2021.*
- *Exchange rate assumed is RMB 6.50: US\$1.00.*
- *Numbers may not compute exactly due to rounding.*

The CIM Mineral Reserve estimation assumes that current predominant stoping practices will continue to be employed at the Ying Mining District, namely cut and fill resuing and shrinkage stoping for most veins, using hand-held drills (jacklegs) and hand-mucking within stopes, and loading to mine cars by rocker-shovel or by hand. The largely sub-vertical veins, generally competent ground, reasonably regular vein width, and hand-mining techniques using short rounds, allows a significant degree of selectivity and control in the stoping process. Minimum mining widths of 0.5 m for resuing and 1.0 m for shrinkage are assumed.

Total Ying Mining District CIM Mineral Reserve tonnes are approximately 66% of CIM Mineral Resource (Measured plus Indicated) tonnes. Gold, silver, lead, and zinc CIM Mineral Reserve grades are 99%, 100%, 96%, and 100% respectively of the corresponding Measured plus Indicated CIM Mineral Resource grades. Metal conversion percentages for gold, silver, lead, and zinc are 65%, 66%, 63%, and 66% respectively.

Reconciliation

The table below summarises the Silvercorp reconciliation between CIM Mineral Reserve estimates in areas mined and production as mill feed for the Ying Mining District from 1 January 2020 to 31 December 2021.

**CIM Mineral Reserve to production reconciliation:
January 2020 – December 2021**

	Mine	Ore (kt)	Grade			Metal		
			Ag (g/t)	Pb (%)	Zn (%)	Ag (koz)	Pb (kt)	Zn (kt)
Reserve (Proven + Probable)	SGX	424	306	5.37	2.50	4,173	23	11
	HZG	96	349	1.06	0.43	1,070	1	0
	HPG	83	91	4.65	1.31	243	4	1
	LME	120	507	1.94	0.50	1,996	2	1
	LMW	110	335	2.68	0.38	1,171	3	0
	TLP	225	234	2.98	0.33	1,688	7	1
	Total	1,059	304	3.74	1.31	10,341	40	14
Reconciled Mine Production	SGX	483	338	6.35	1.75	5,251	31	8
	HZG	96	373	1.67	-	1,150	2	-
	HPG	120	111	3.24	1.15	428	4	1
	LME	84	323	1.73	0.34	874	1	0
	LMW	129	317	2.86	0.02	1,315	4	0
	TLP	358	223	3.31	-	2,568	12	-
	Total	1,270	283	4.19	0.8	11,584	53	10
Mine Production as % of Reserves	SGX	114%	110%	118%	70%	126%	133%	77%
	HZG	100%	107%	158%	0%	107%	160%	-
	HPG	144%	122%	70%	88%	176%	97%	138%
	LME	70%	64%	89%	68%	44%	73%	29%
	LMW	117%	95%	107%	5%	112%	123%	-
	TLP	159%	95%	111%	0%	152%	169%	0%
	Total	120%	93%	112%	61%	112%	133%	72%

Notes:

- Assumes 2.5% moisture in wet ore.
- Numbers may not compute exactly due to rounding.

Life-of-Mine Plan

The table below is a summary of the projected LOM production for each of the Ying Mining District mines and for the entire operation based on the 31 December 2021 CIM Mineral Reserve estimates.

Ying Mining District mines LOM production plan

	2022Q4	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	Total
SGX																	
Ore (kt)	50	273	279	279	356	364	381	374	378	370	381	377	378	380	379	231	5,229
Au (g/t)	0.00	0.00	0.01	0.03	0.01	0.03	0.03	0.05	0.03	0.02	0.00	0.00	0.07	0.03	0.04	0.01	0.03
Ag (g/t)	340	331	328	309	295	280	282	256	238	226	234	226	200	189	185	179	249
Pb (%)	6.62	6.14	5.61	5.57	4.90	4.41	4.70	4.82	4.92	4.80	4.38	4.45	4.24	4.16	4.03	4.93	4.76
Zn (%)	2.09	2.35	2.23	2.47	2.40	2.12	2.29	2.17	2.40	2.02	1.86	2.11	1.97	2.26	2.06	2.23	2.18
AgEq (g/t)	633	612	587	573	531	492	510	486	475	450	439	438	406	395	382	412	476
HZG																	
Ore (kt)	15	57	66	70	70	70	70	69	70	70	68	40	-	-	-	-	735
Au (g/t)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00
Ag (g/t)	347	344	345	347	354	349	360	355	351	355	339	320	-	-	-	-	348
Pb (%)	0.82	1.17	1.19	1.13	0.91	1.06	0.76	0.87	0.95	0.73	0.74	0.62	-	-	-	-	0.93
Zn (%)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
AgEq (g/t)	376	386	388	389	387	387	387	386	385	382	366	342	-	-	-	-	382
HPG																	
Ore (kt)	10	66	72	77	78	78	77	77	70	66	63	58	-	-	-	-	791
Au (g/t)	1.09	1.31	2.72	2.94	1.71	1.54	1.68	1.01	1.03	0.94	1.58	1.31	-	-	-	-	1.63
Ag (g/t)	154	124	74	74	87	84	74	40	75	59	36	54	-	-	-	-	73
Pb (%)	3.18	3.34	2.26	2.15	3.23	3.83	2.99	4.95	3.23	2.85	1.92	2.04	-	-	-	-	3.03
Zn (%)	1.92	1.53	1.04	0.59	1.37	1.14	1.35	0.69	0.91	1.87	1.53	1.14	-	-	-	-	1.19
AgEq (g/t)	394	376	371	372	359	360	334	309	288	276	254	248	-	-	-	-	326
TLP																	
Ore (kt)	79	215	205	220	220	231	210	207	207	211	214	210	147	-	-	-	2,575
Au (g/t)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.00
Ag (g/t)	214	222	208	217	240	237	235	222	217	208	189	171	177	-	-	-	213
Pb (%)	2.80	3.07	2.98	3.11	2.87	2.95	3.02	2.89	2.94	2.83	3.07	3.82	3.26	-	-	-	3.05
Zn (%)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
AgEq (g/t)	317	334	317	331	346	345	345	328	325	312	301	311	297	-	-	-	325
LM East																	
Ore (kt)	12	51	52	52	64	73	81	80	82	75	78	73	77	63	-	-	913
Au (g/t)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.05	0.19	0.20	0.20	0.12	0.96	1.77	-	-	0.27
Ag (g/t)	325	321	331	327	365	414	351	360	311	341	348	325	236	175	-	-	325
Pb (%)	1.41	1.34	2.39	1.56	1.56	1.38	1.54	1.89	2.08	1.56	1.44	1.91	1.44	0.91	-	-	1.61
Zn (%)	0.34	0.30	0.27	0.23	0.34	0.37	0.37	0.42	0.46	0.37	0.35	0.50	0.51	0.28	-	-	0.38
AgEq (g/t)	379	371	420	386	425	467	410	435	403	414	416	407	357	329	-	-	404

	2022Q4	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	Total
LM West																	
Ore (kt)	11	100	103	110	128	127	136	128	135	132	133	127	129	130	119	112	1,861
Au (g/t)	0.13	0.48	0.57	0.69	0.40	0.16	0.24	0.16	0.55	0.60	0.70	0.24	0.25	0.61	1.03	0.66	0.48
Ag (g/t)	313	316	313	319	285	300	280	270	283	252	254	245	249	242	192	201	266
Pb (%)	2.25	2.02	2.25	1.90	2.20	1.84	1.94	2.20	1.55	2.28	2.04	2.39	1.81	1.73	1.72	2.08	1.99
Zn (%)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
AgEq (g/t)	403	420	431	434	391	376	365	360	375	369	364	343	331	340	323	311	368
DCG																	
Ore (kt)	2	22	24	24	23	23	21	22	17	17	18	-	-	-	-	-	213
Au (g/t)	1.12	3.58	2.89	3.20	4.34	4.17	3.27	2.57	2.41	3.04	2.92	-	-	-	-	-	3.25
Ag (g/t)	153	114	137	87	105	95	115	73	51	47	46	-	-	-	-	-	91
Pb (%)	1.78	1.17	2.51	3.50	1.25	0.82	1.33	2.18	2.16	0.58	0.64	-	-	-	-	-	1.67
Zn (%)	0.35	0.20	0.20	0.19	0.11	0.11	0.35	0.17	0.16	0.23	0.32	-	-	-	-	-	0.20
AgEq (g/t)	304	409	433	443	454	416	398	335	299	285	280	-	-	-	-	-	381
Ying Mine																	
Ore (kt)	178	785	801	832	938	965	976	957	959	941	954	886	731	573	499	343	12,317
Au (g/t)	0.08	0.27	0.41	0.46	0.31	0.25	0.25	0.19	0.22	0.23	0.27	0.13	0.18	0.35	0.28	0.22	0.26
Ag (g/t)	270	276	268	262	268	267	263	245	239	230	227	217	208	199	186	186	241
Pb (%)	3.58	3.72	3.54	3.44	3.30	3.12	3.20	3.47	3.31	3.23	3.03	3.46	3.32	3.25	3.48	4.00	3.36
Zn (%)	0.72	0.97	0.89	0.90	1.05	0.92	1.04	0.94	1.05	0.96	0.88	1.01	1.07	1.53	1.57	1.50	1.03
AgEq (g/t)	424	454	447	441	434	420	421	406	399	385	375	375	365	375	368	379	406

Notes:

- Numbers may not compute exactly due to rounding.
- Zinc not included in AgEq calculation for HZG, TLP and LMW mines.

Processing and tailing dams

Silvercorp runs two processing plants, Plants 1 and 2, at the Ying Mining District, with a total current design capacity of about 2,800 tonnes per day (**tpd**). The two plants are situated within 2km of each other. Both were designed based on the lab tests completed by HNMRI in 2005. Plant 1 (Xiayu Plant – originally 600 tpd, upgraded to 800 tpd) has been in operation since March 2007. Plant 2 (Zhuangtuo Plant) has been in production since December 2009, with an expansion from 1,000 tpd to 2,000 tpd completed in October 2011. Although current design processing capacity is about 2,800 tpd, it is understood that the actual capacity could reach 3,000 – 3,200 tpd. Current LOM planning requires that the plants operate up to 2,000 tpd.

There are two current tailing management facilities (**TMF**) at the Ying Mining District. TMF 1 served both Mill Plant 1 and Mill Plant 2 during the period of 2007 – 2012. Since TMF 2 was put into operation in April 2013, the two TMFs serve their respective mill plants: TMF 1 serves Mill Plant 1, TMF 2 serves Mill Plant 2.

The TMFs were designed based on then current CIM Mineral Resource / CIM Mineral Reserve estimations and LOM production projections. Subsequent resource expansion and increased production projections indicate that the current tailings capacity will not be adequate for the full Ying Mining District LOM. A third TMF, Shimengou TMF, is being built in the Shimengou valley, which serves as a branch of the Chongyanggou river, within the territory of Xiayu Township, Luoning County.

Environmental, permitting, social / community impact

Silvercorp has all the required permits for its operations on the Ying Mining District. The existing mining permits cover all the active mining areas and, in conjunction with safety and environmental certificates, give Silvercorp the right to carry out full mining and mineral processing operations. Safety certificates have been issued by the Department of Safety Production and Inspection of Henan Province, covering the SGX Mine, HZG Mine, Zhuangtuo TMF, Shiwagou TMF, HPG Mine, TLP Mine (west and east section), LMW Mine, LME Mine, and DCG Mine. Environmental certificates have been issued by the Department of Environmental Protection of Henan Province, covering the Yuelianggou project (SGX Mine and 1,000 tpd mill plant), HPG Mine, TLP Mine, LMW Mine, LME Mine, DCG Mine, and the 2,000 tpd mill plant built in 2009. For each of these certificates, there are related mine development / utilisation and soil / water conservation programs, and rehabilitation plan reports. Silvercorp has also obtained approvals and certificates for wastewater discharge locations at the SGX Mine, the HPG Mine, and the two TMFs. All certificates must be renewed periodically.

There are no cultural minority groups within the area surrounding the general project. The culture of the broader Luoning County is predominantly Han Chinese. No records of cultural heritage sites exist within or near the SGX Mine, HZG Mine, HPG Mine, TLP Mine, LME Mine, LMW Mine, and DCG Mine areas. The surrounding land near the mines is used predominantly for agriculture. The mining area does not cover any natural conservation, ecological forests, or strict land control zones. The current vegetation within the project area is mainly secondary, including farm plantings. Larger wild mammals have not been found in the region. Small birds nesting and moving in the woodland are observed occasionally. The surrounding villagers raise domestic animals, such as chickens, ducks, pigs, sheep, goats, and cows etc.

Silvercorp has made a range of cash donations and contributions to local capital projects and community support programs, sponsoring university students, and undertaking projects such as road construction and school repairs, upgrading, and construction. Silvercorp has also made economic contributions in the form of direct hiring and retention of local contractors, suppliers, and service providers.

(b) **GC Mine**

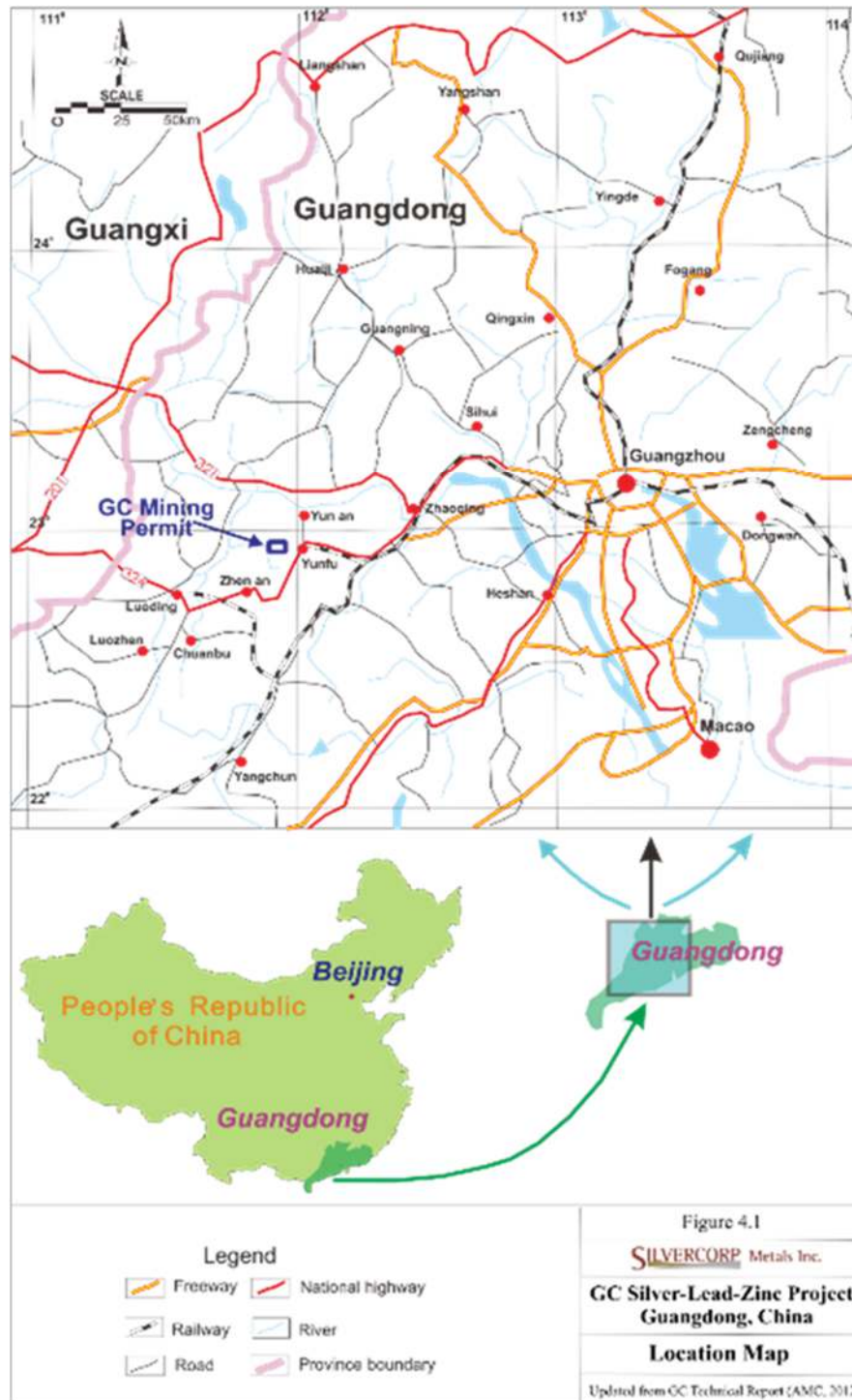
Except as otherwise stated, technical information in relation to the GC Mine in this Bidder's Statement is based on the latest Technical Report titled "*NI 43-101 Technical Report Update on the Gaocheng Ag-Zn-Pb Project in Guangdong Province, People's Republic of China*" (the **GC 2021 Technical Report**), effective date 31 March 2021, and prepared by AMC with report date 6 October 2021 (and released on SEDAR+ on 7 October 2021), and was restated in Silvercorp's Annual Information Form dated 1 June 2023 for the Fiscal Year ended 31 March 2023.

Portions of the following information are based on the assumptions, qualifications and procedures described in the GC 2021 Technical Report, which are not fully described in this Bidder's Statement. The full text of the GC 2021 Technical Report is available for review on SEDAR+ at www.sedarplus.ca.

Location and History

The GC Mine is located in the vicinity of Gaocheng village, Gaocun Township, Yun'an District, Yunfu City, Guangdong Province, People's Republic of China. The GC Mine is located west of the metropolitan city of Guangzhou, the capital of Guangdong Province. Guangzhou is located about 120 kilometres (km) north-west of Hong Kong and has a total population of about 14 million people. Access to the GC project from Guangzhou is via 178 km of four-lane express highway to Yunfu, then 48 km of paved road to the project site.

Location of the GC Mine



Various state-sponsored Chinese Geological Brigades and companies have conducted geological and exploration work in the project area with systematic regional geological surveys commencing in 1959. Historical drilling commenced in 2001. Silvercorp acquired an interest in the GC Mine in 2005 and commercial production commenced in 2014.

Mining licences ownership

The GC Mine is covered by one mining licence, held by Guangdong Found Mining Co., Ltd (**Guangdong Found**), a Sino-Foreign Cooperative Joint Venture Enterprise registered under Chinese law. Silvercorp holds (through two of its wholly-owned

subsidiaries Yangtze Mining (H.K.) Ltd and Silvercorp Metals (China) Inc.) a 99% interest in Guangdong Found, with the remaining 1% interest held by GRT Mining Investment (Beijing) Co., Ltd. See section 4.3 for further information on Silvercorp's corporate structure.

Mine	Mining licence number	Sq km	Expiry date	Registered licence holder
GC Mine	C1000002010113210083333	5.5238	24 November 2040	Guangdong Found

Production

In Fiscal 2023, a total of 299,959 tonnes of ore were mined and 299,597 tonnes were milled at the GC Mine. Average head grades of ore milled were 75 g/t for silver, 1.3% for lead, and 2.8% for zinc. Metals produced at the GC Mine were approximately 593 thousand ounces of silver, 7.8 million pounds of lead, and 16.3 million pounds of zinc.

The mining costs at the GC Mine were US\$41.36 per tonne in Fiscal 2023, and the milling costs were US\$16.93 per tonne. Correspondingly, the production costs per tonne of ore processed were US\$58.29 and the all-in sustaining production costs per tonne of ore processed were US\$83.33. The cash costs per ounce of silver, net of by-product credits, at the GC Mine, were negative US\$13.7, and the all-in sustaining costs per ounce of silver, net of by product credits, were US\$0.50.

CIM Mineral Resources

The CIM Mineral Resources for the GC Mine as of 31 December 2020 are presented in the table below.

Summary of CIM Mineral Resources as of 31 December 2020

Classification	Tonnes (Mt)	Ag (g/t)	Pb (%)	Zn (%)	Contained metal		
					Ag (koz)	Pb (M lbs)	Zn (M lbs)
Measured	5.286	88	1.3	3.1	14,906	154	360
Indicated	4.747	75	1.1	2.5	11,457	111	259
Measured and Indicated	10.033	82	1.2	2.8	26,363	265	619
Inferred	8.441	87	1.0	2.4	23,562	195	442

Notes:

- CIM Definition Standards (2014) were used for reporting the CIM Mineral Resources.
- CIM Mineral Resource are reported at an AgEq cut-off grade of 105 g/t AgEq.
- The equivalency formula is $Ag\ g/t + 50.46 * Pb\% + 43.53 * Zn\%$ using prices of US\$18.20/oz Ag, US\$0.94/lb Pb, and US\$1.08/lb Zn and estimated recoveries of 82.6% Ag, 89.5% Pb, and 87.3% Zn.
- Sample results up to 31 December 2020.
- CIM Mineral Resources have been depleted to account for mining to 31 December 2020.
- Veins factored to a minimum extraction width of 0.4 m.
- CIM Mineral Resources are inclusive of CIM Mineral Reserves.
- CIM Mineral Resources that are not CIM Mineral Reserves do not have demonstrated economic viability. An Inferred CIM Mineral Resource is that part of a CIM Mineral Resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling and must not be converted to a CIM Mineral Reserve. It is reasonably expected that the majority of Inferred CIM Mineral Resources could be upgraded to Indicated CIM Mineral Resources with continued exploration.
- The numbers may not compute exactly due to rounding.

CIM Mineral Reserves

The table below summarises the CIM Mineral Reserves estimate for the GC Mine. 63% of the CIM Mineral Reserve tonnage is categorised as Proven and 37% is categorized as Probable.

The CIM Mineral Reserve estimation is based on the assumption that current stoping practices will continue at the GC Mine, namely predominantly shrinkage stoping but also with some cut and fill resuing. Minimum mining widths of 1.0 m for shrinkage and 0.5 m for resuing, and minimum dilution of 0.20 m total for shrinkage and 0.10 m for resuing cut and fill stopes are assumed. Full breakeven COGs used are 215 g/t AgEq for shrinkage and 275 g/t AgEq for resuing.

GC Mine CIM Mineral Reserves estimate at 31 December 2020

Classification	Tonnes (Mt)	Ag (g/t)	Pb (%)	Zn (%)	Contained metal		
					Ag (koz)	Pb (Mlbs)	Zn (Mlbs)
Proven	2.587	93	1.5	3.3	7,743	84	189
Probable	1.544	95	1.5	3.0	4,740	51	103
Proven and Probable	4.131	94	1.5	3.2	12,483	135	293

Notes:

- Canadian Institute of Mining, Metallurgy and Petroleum Standards (2014) were used for reporting the CIM Mineral Reserves.
- Full breakeven cut-off grades: Shrinkage = 215 g/t AgEq; Resuing = 275 g/t AgEq.
- Marginal material cut-off grade: Shrinkage = 185 g/t AgEq; Resuing = 250 g/t AgEq.
- Dilution (zero grade) assumed as a minimum of 0.1 m on each wall of a shrinkage stope and 0.05 m on each wall of a resuing stope.
- Mining recovery factors assumed as 92% for shrinkage and 95% for resuing.
- Metal prices: Silver US\$18.20/troy oz, lead US\$0.94/lb, zinc US\$1.08/lb, with respective payables of 65.5%, 86.2%, and 66.3%.
- Processing recovery factors: Ag – 82.6%, Pb – 89.5%, Zn – 87.3%.
- Effective date 31 December 2020.
- Exchange rate assumed is RMB6.80: US\$1.00.
- Rounding of some figures may lead to minor discrepancies in totals.

Life-of-Mine

The table below shows the projected LOM mill feed and metal production profile at the GC Mine. The LOM production data is based on the 31 December 2020 CIM Mineral Reserve estimates.

GC Mine Projected LOM mill feed and metal production

Item	Unit	2021 Q4	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	Total
Mill Feed - Ore tonnes	t	77,496	311,271	317,885	310,407	313,288	313,644	311,336	315,013	311,802	311,762	310,516	312,573	313,563	300,482	4,131,039
Head grade, Ag	g/t	88	86	92	96	96	94	96	93	95	94	94	94	98	97	94
Head grade, Pb	%	1.51	1.46	1.55	1.47	1.47	1.35	1.51	1.58	1.49	1.26	1.40	1.60	1.43	1.69	1.48
Head grade, Zn	%	3.72	3.64	3.52	3.42	3.20	3.29	3.08	2.95	3.08	3.28	3.21	2.99	3.06	2.95	3.22
Planned metal - Ag mined	t	6.79	26.75	29.21	29.78	30.02	29.36	29.85	29.39	29.56	29.35	29.30	29.26	30.64	29.01	388.27
Planned metal - Pb mined	t	1,173	4,544	4,940	4,565	4,592	4,224	4,706	4,965	4,651	3,929	4,354	5,007	4,492	5,084	61,225
Planned metal - Zn mined	t	2,883	11,317	11,175	10,607	10,011	10,304	9,591	9,308	9,604	10,238	9,974	9,361	9,581	8,863	132,818
Planned metal - Ag recovered	t	5.61	22.10	24.13	24.60	24.79	24.25	24.65	24.28	24.42	24.24	24.20	24.17	25.31	23.96	320.71
Planned metal - Pb recovered	t	1,050	4,067	4,422	4,086	4,109	3,780	4,212	4,444	4,162	3,516	3,897	4,482	4,020	4,550	54,797
Planned metal - Zn recovered	t	2,517	9,880	9,756	9,260	8,740	8,995	8,373	8,125	8,384	8,938	8,708	8,173	8,364	7,738	115,950

Processing and tailing

Since the start of trial operations in 2013 and commercial production in 2014, lead and zinc concentrates have been produced in commercial quantities at the Gaocheng mill. The overall process consists of crushing, grinding, sequential flotation of lead, zinc, and pyrite concentrates, and concentrate dewatering by disc filtration.

In 2019, the lead-zinc-sulphur priority flotation process was optimised by changing from zinc-sulphur process priority flotation to zinc-sulphur mixed flotation and then zinc-sulphur separation flotation process. The quantity of ore processed has increased to around 300 ktpa.

The filtered tailings are conveyed to the TMF area via conveyor and then spread by bulldozer on a bench-by-bench basis. The tailings deposition method is dry stacking and filling (from bottom to top and stacking by bench to form the embankment), with concurrent rolling and compaction to the desired dry density standards.

The construction of a cemented tailings backfill plant was completed in December 2019. The design capacity is 60 – 80 m³ /hr, or around 450 m³ /day assuming seven hours operation. After surface and underground full-process backfilling tests and adjustment, the system began operating in July 2020.

Environmental, permitting and compliance activities

Silvercorp has all the required permits for its operations on the GC Mine and, in conjunction with safety and environmental certificates, these give Silvercorp the right to carry out full mining and mineral processing operations.

An Environmental Impact Assessment report on the GC Mine was prepared by the Guangdong Environmental Technology Centre initially, and then reassessment is done periodically as required by regulations. An Environmental Permit was issued by the Department of Environmental Protection of Guangdong Province in June 2010.

There are no cultural minority groups within the general area surrounding the GC Mine. No records of cultural heritage sites exist within or near the GC Mine areas. The surrounding land is used predominantly for agriculture. The mining area does not cover any natural conservation, ecological forests, or strict land control zones.

Silvercorp has made a range of cash donations and contributions to local capital projects and community support programs, sponsoring university students and undertaking projects such as village road construction, and school upgrading and construction. Silvercorp has also made economic contributions to the local economy in the form of direct hiring and retention of local contractors, suppliers, and service providers.

A monitoring plan has been negotiated between Silvercorp and the local environmental protection department to meet the environmental management requirements of the project. Key components of the monitoring plan are water pollution monitoring, together with environmental air and noise monitoring. The monitoring work is carried out by qualified persons and / or a third-party contractor and is undertaken on a regular basis.

(c) **Silvercorp's disclosures in satisfaction of Listing Rule 5.12**

Listing Rule	ASX Explanation	Commentary
5.12.1	The source and date of the historical estimates or foreign estimates.	The foreign estimates in respect of Silvercorp's operations and properties were prepared by Silvercorp. The mineral resources and mineral reserves are

Listing Rule	ASX Explanation	Commentary
		<p>prepared in accordance with the Canadian NI 43-101 Standards.</p> <p>The source of the Silvercorp foreign estimates in relation to the Ying Mining District is the Technical Report titled “<i>NI 43-101 Technical Report Update on the Ying Ag-Pb-Zn Property in Henan Province, People’s Republic of China</i>” (the Ying 2022 Technical Report), effective date 20 September 2022, and prepared by AMC Mining Consultants (Canada) Ltd. (AMC) with report date 3 November 2022 (and released on SEDAR+ on 4 November 2022).</p> <p>The source of the Silvercorp foreign estimates in relation to the GC Mine is the Technical Report titled “<i>NI 43-101 Technical Report Update on the Gaocheng Ag-Zn-Pb Project in Guangdong Province, People’s Republic of China</i>” (the GC 2021 Technical Report), effective date 31 March 2021, and prepared by AMC with report date 6 October 2021 (and released on SEDAR+ on 7 October 2021).</p> <p>The full text of the Ying 2022 Technical Report and the GC 2021 Technical Report is available for review on SEDAR+ at www.sedarplus.ca.</p> <p>The foreign estimates were restated by Silvercorp in its Annual Information Form dated 1 June 2023 for the Fiscal Year ended 31 March 2023.</p> <p>The foreign estimates in the Ying 2022 Technical Report and the GC 2021 Technical Report are the most recent, available mineral resources and mineral reserves estimates for the Silvercorp’s operations.</p>
5.12.2	Whether the historical estimates or foreign estimates use categories of mineralisation other than those defined in Appendix 5A (JORC Code) and if so, an explanation of the differences.	<p>The Silvercorp foreign estimates of mineral resources and mineral reserves have been prepared using the Canadian NI 43-101 reporting guidelines.</p> <p>The mineral resource estimates contain categories of NI 43-101 ‘Measured’, ‘Indicated’ and ‘Inferred’ that are consistent with the terminology of the ‘Measured’, ‘Indicated’ and ‘Inferred’ categories under the JORC Code.</p>

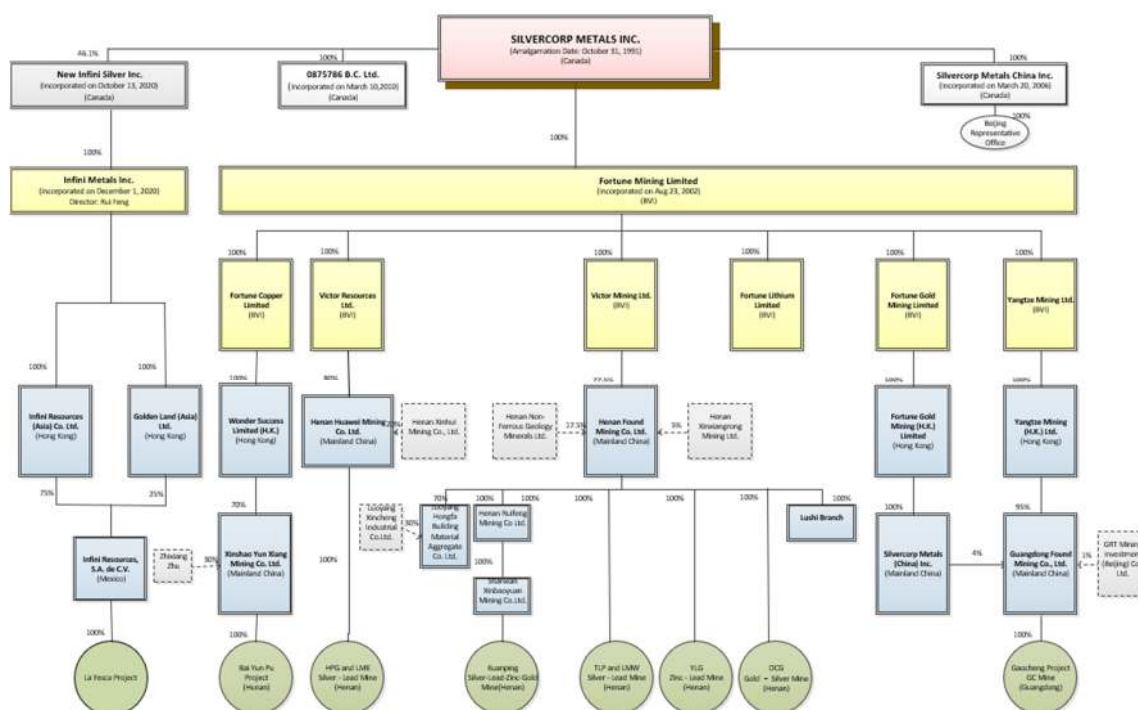
Listing Rule	ASX Explanation	Commentary
		NI 43-101 mineral reserves estimates are reported as proven and probable in the foreign estimates. These classifications are consistent with definitions of Proved and Probable Ore Reserves in the JORC Code.
5.12.3	The relevance and materiality of the historical estimates or foreign estimates to the entity.	The Silvercorp foreign estimates are material to the Merged Group as they form a significant portion of the overall mineral reserve and mineral resource inventory.
5.12.4	The reliability of historical estimates or foreign estimates to the entity.	<p>The foreign estimates are considered reliable by Silvercorp for the following reasons:</p> <ul style="list-style-type: none"> the foreign estimates have been prepared in accordance with NI 43-101; and the methodologies for preparing the mineral resources and mineral reserves have not changed significantly in comparison to previous reporting.
5.12.5	To the extent known, a summary of work programs on which the historical estimates or foreign estimates are based and a summary of the key assumptions, mining and processing parameters and methods used to prepare the historical or foreign estimates.	<p>Key assumptions used in the estimation of mineral resources and mineral reserves are based on extensive operating experience and historical performance.</p> <p>A summary of the key assumptions, including metal prices, cut-off grades, exchange rate is set forth in the notes to the tables included in sections 4.2(a) and 4.2(b). Assumptions, qualifications and procedures are not fully described in this Bidder's Statement. The full text of the Ying 2022 Technical Report and the GC 2021 Technical Report is available for review on SEDAR+ at www.sedarplus.ca.</p>
5.12.6	Any more recent estimates or data relevant to the reported mineralisation available to the entity.	No more recent estimates have been completed since the mineral reserves and mineral resources disclosed in the Ying 2022 Technical Report and the GC 2021 Technical Report.
5.12.7	The evaluation and/or exploration work that needs to be completed to verify the historical estimates or foreign estimates as mineral resources or ore reserves in	<p>Silvercorp currently does not have intention to verify the mineral resources or ore reserves in accordance with JORC Code.</p> <p>If Silvercorp is admitted to the official list of ASX, it will comply with the reporting</p>

Listing Rule	ASX Explanation	Commentary
	accordance with ASX Listing Rules Appendix 5A (JORC Code).	obligations under ASX Listing Rule 5 in relation to its mining activities.
5.12.8	The proposed timing of any evaluation and/or exploration work that the entity intends to undertake and a comment on how the entity intends to fund that work.	<p>Evaluation work has been ongoing and Silvercorp intends to update the mineral resources and reserves at its mines in the first half of 2024, based on results up to and including 31 December 2023.</p> <p>Silvercorp has been funding its evaluation and exploration work from its working capital.</p> <p>There is currently no intention to verify Silvercorp's reserves and resources estimates in accordance with the JORC Code.</p>
5.12.9	<p>A cautionary statement proximate to, and with equal prominence as, the reported historical estimates or foreign estimates stating that:</p> <p>The estimates are historical estimates or foreign estimates and are not reported in accordance with the JORC Code;</p> <p>A competent person has not done sufficient work to classify the historical estimates or foreign estimates as mineral resources or ore reserves in accordance with the JORC Code; and</p> <p>It is uncertain that following evaluation and/or further exploration work that the historical estimates or foreign estimates will be able to be reported as mineral resource or ore reserves in accordance with the JORC Code.</p>	<p>Silvercorp cautions that mineral resources and mineral reserves for Silvercorp are not reported in accordance with the JORC Code.</p> <p>A Competent Person has not yet completed sufficient work to classify the foreign estimates of mineral resources or mineral reserves as Mineral Resources or Ore Reserves in accordance with the JORC Code.</p> <p>It is currently uncertain whether, following evaluation and/or further exploration work, these foreign estimates will be able to be reported as Mineral Resources or Ore Reserves in accordance with the JORC Code.</p>
5.12.10	A statement by a named competent person or persons that the information in the market announcement provided under rules 5.12.2 to 5.12.7 is an accurate representation of the available data and studies for the material mining project. The statement must include the	Refer to section 12.9 12.8

4.3 Corporate structure and other investment interests

Silvercorp was formed as Spokane Resources Ltd. By special resolution dated 5 October 2000, Spokane Resources Ltd changed its name to SKN Resources Ltd. At the annual and special general meeting held on 20 October 2004 Silvercorp changed its name to its current name.

The corporate structure of the Silvercorp Group including its subsidiaries, their respective jurisdictions of incorporation, the percentage of voting power held and their respective interest in Silvercorp's material mining properties is set out in the chart below.



Note:

1. *Not including investment interest in entities that is not controlled by Silvercorp.*
2. *Entities in grey with dotted shape lines are not Silvercorp entities.*
3. *The HPG and the LME Silver-Lead Mines are registered under Henan Found, but are beneficially held by Henan Huawei due to an Ore Sale Agreement between Henan Found and Henan Huawei. Both Henan Found and Henan Huawei are subsidiaries of Silvercorp.*

Silvercorp is the sole shareholder of Fortune Mining Limited (**Fortune Mining**) which was incorporated under the laws of BVI on 23 August 2002. Fortune Mining is the holding company of several other subsidiaries which are parties to agreements relating to mineral properties in China.

Fortune Mining owns 100% of the following material subsidiaries:

Victor Mining

Victor Mining Ltd (**Victor Mining**) was incorporated on 23 October 2003 under the laws of BVI and continued into Barbados on 27 August 2009 and back to the BVI on 18 March 2016. Victor Mining holds a 77.5% interest in Henan Found Mining Co., Ltd (**Henan Found**), a Chinese company holding, among other assets:

- the Ying Mining District's flagship silver-lead-zinc project (the **SGX Mine**) and a satellite silver-lead mine (the **HZG Mine**) located approximately 5 km south of the SGX Mine;
- a silver-lead mine in Tieluping (the TLP Mine) approximately 11 km southeast of the SGX Mine;
- a silver-gold-lead-zinc mine in Haopinggou (the HPG Mine) northeast of the SGX Mine;
- a silver-lead-zinc mine in Longmen East (the LME Mine) approximately 12 km to southeast of the SGX Mine;
- a silver-lead-zinc mine in Longmen West (the LMW Mine) approximately 2.4 km to the west of the LME Mine; and
- a development project in Dong Cao Gou (the **DCG Mine**),

each in Henan Province.

Henan Found and Henan Huawei are parties to an Ore Sale Agreement under which Henan Found sells all ores produced from the HPG Mine and the LME Mine to **Henan Huawei** on a cost-plus basis, and the HPG Mine and the LME Mine are beneficially held by Henan Huawei for Silvercorp's reporting purposes.

Henan Found holds a 100% interest in Henan Ruifeng Mining Co Ltd which holds a 100% interest in Shanxian Xinbaoyuan Mining Co., Ltd. Shanxian Xinbaoyuan Mining Co., Ltd holds a 100% interest in the Kuanping silver-lead-zinc-gold project (the **Kuanping Project**).

Victor Resources

Victor Resources Ltd (**Victor Resources**) was incorporated on 30 May 2003 under the laws of the BVI and holds an 80% interest in Henan Huawei, a Chinese company. As noted above, Henan Huawei is beneficially holding a 100% interest in the HPG Mine and the LME Mine through an Ore Sale Agreement with Henan Found (with Henan Found being the registered owner of those mines).

Yangtze Mining

Yangtze Mining Ltd was incorporated on 11 February 2002 under the laws of the BVI. It holds a 100% interest in Yangtze Mining (H.K.) Ltd (**Yangtze Mining HK**), a company registered in Hong Kong. Yangtze Mining HK holds a 95% interest in Guangdong Found Mining Co., Ltd (**Guangdong Found**), a company incorporated on 26 October 2008 under the laws of China, which holds a 100% interest in the GC Mine. In October 2018, Silvercorp Metals (China) Inc., a wholly-owned subsidiary of Silvercorp, acquired an additional 4% interest in Guangdong Found, and as a result, Silvercorp now holds an aggregated 99% interest in Guangdong Found.

Fortune Copper

Fortune Copper Limited (**Fortune Copper**) was incorporated on 23 August 2002 under the laws of the BVI. It holds a 100% interest in Wonder Success Limited, a Hong Kong company which has a 70% interest in Xinshao Yunxiang Mining Co., Ltd., which owns the BYP gold,

lead, and zinc mine in Hunan Province (the **BYP Mine**). The BYP Mine is currently under care and maintenance.

Other interests

Silvercorp also holds the following interests:

- a 27.4% interest in New Pacific Metals Corp., a Canadian public company listed on the Toronto Stock Exchange (symbol: NUAG) and the NYSE American (symbol: NEWP) that is developing several precious metals projects in Bolivia;
- a 29.3% interest in Tincorp Metals Inc., formerly Whitehorse Gold Corp., a Canadian public company listed on the TSX Venture Exchange that is advancing two tin projects in Bolivia and owns a gold-silver project in Yukon, Canada; and
- a 46.15% interest in New Infini, which was incorporated on 13 October 2020, under the laws of the Province of British Columbia. New Infini holds a 100% interest in the La Yesca silver project (**La Yesca Project**).

4.4 Corporate governance

The Corporate Governance Committee of the Silvercorp Board reviews Silvercorp's policies on an annual basis, including the Anti-Corruption Policy, Code of Ethical Conduct, Claw back Policy, Corporate Disclosure Policy, and Whistleblower Policy, which are then approved by the Silvercorp Board. All of Silvercorp's directors and officers were re-certified with all the policies, confirming they are familiar with and acknowledge the contents of Silvercorp's policies, and committing to fulfil them and to report any violation. Silvercorp also regularly trains its critical employees in anti-corruption practices.

In Fiscal 2023, the Sustainability Committee of the Silvercorp Board adopted a Community Relations Policy, a Human Rights Protection Policy, an Environmental Protection Policy, and an Occupational Health and Safety Policy, which were then approved by the Silvercorp Board.

Silvercorp's corporate governance practices have been and continue to be in compliance with applicable Canadian requirements. Silvercorp continues to monitor developments in Canada with a view to further revising its governance policies and practices, as appropriate.

Section 110 of the NYSE American company guide permits the NYSE American to consider the laws, customs and practices of foreign issuers in relaxing certain the NYSE American listing criteria, and to grant exemptions from the NYSE American listing criteria based on these considerations. A description of the significant ways in which Silvercorp's governance practices differ from those followed by domestic companies pursuant to the NYSE American standards is provided on Silvercorp's website at www.silvercorpmetals.com/corporate-governance/.

The following is a description of Silvercorp's corporate governance practices which has been prepared by the Corporate Governance Committee of the Silvercorp Board and has been approved by the Silvercorp Board.

For more information on Silvercorp's Corporate Governance practices, please review Silvercorp's Annual Information Form and Management Information Circular available on the company's website at www.silvercorp.ca.

(a) Silvercorp Board

In compliance with the requirements of the Business Corporations Act, the directors are elected by Silvercorp Shareholders to manage, or supervise the management team responsible for the business and affairs of Silvercorp. In exercising their powers and discharging their duties, the directors are required to act honestly and in good faith with a view to the best interests of Silvercorp, and to exercise the care, diligence

and skill that a reasonably prudent person would exercise in comparable circumstances.

Four out of five current members of the Silvercorp Board are independent within the meaning of NI 52-110. To facilitate the ability of the Silvercorp Board to function independently of management, there is only one member of management on the Silvercorp Board, Rui Feng, the CEO and Chairman of Silvercorp. The independent directors regularly hold an in-camera session at the end of each board meeting. Paul Simpson is the independent lead director of the Silvercorp Board. The role of the independent lead director is to act as the Chair for all meetings of the independent directors referred to above.

The Silvercorp Board has adopted a description of how it delineates its roles and stewardship responsibilities in the Board of Directors Charter, detailed below. This description incorporates the guidelines and principles outlined in NI 52-110, NI 58-101 and NP 58-201. The Silvercorp Board believes that good corporate governance is important to the effective performance of Silvercorp and plays a significant role in protecting Silvercorp Shareholders' interests and maximising value for the Silvercorp Shareholders. The disclosure regarding Silvercorp's corporate governance practices that is required by NI 58-101 is detailed below.

(b) **Silvercorp Board Charter**

The Board is responsible for the stewardship of Silvercorp and for the oversight of its management and affairs. Directors shall exercise their best business judgment in a manner consistent with their fiduciary duties. The Silvercorp Board's primary responsibilities, which are discharged directly and through delegation to its committees, include the following:

- The primary goal of the Silvercorp Board is to act in the best interests of Silvercorp to enhance long-term shareholder value while considering the interests of Silvercorp's various stakeholders, including shareholders, employees, the communities and others.
- To act honestly and in good faith with a view to the best interests of Silvercorp.
- To exercise due care, diligence and skill that reasonably prudent persons would exercise in comparable circumstances.
- Consistent with its responsibilities to Silvercorp, to further the interests of the shareholders.
- To consider business opportunities and risks, and to adopt business strategies and/or strategic plans.
- To evaluate the principal risks of Silvercorp's business in consultation with management, and to implement an appropriate system to manage these risks.
- To develop and oversee an investor relations and shareholder communications policy (**Corporate Disclosure Policy**) for Silvercorp.
- To develop and oversee a policy (Whistleblower Policy) to establish procedures for the confidential, anonymous submission by employees and consultants and any other person of concerns regarding Silvercorp and otherwise facilitate measures for receiving feedback from stakeholders.
- To oversee management's adoption of effective internal control and management information systems.

- To review and approve annual and quarterly financial statements and the publication thereof by management.
- To review and approve operating plans and any capital budget plans.
- To oversee succession planning and to select and approve all key executive appointments, and to monitor executive training and development.
- To develop and update, as required, Silvercorp's approach to corporate governance, including establishing a set of corporate governance principles and guidelines that are specifically applicable to Silvercorp.
- To adopt a code of conduct to govern employees and management in their activities for and on behalf of Silvercorp.
- To promote diversity throughout Silvercorp, commensurate with Silvercorp's needs.
- To satisfy itself as to the integrity of the management of Silvercorp and ensure that such officers promote a culture of integrity throughout Silvercorp consistent with the adopted code of conduct.
- To take action on issues that by law or practice require the independent action of a Board or one of its Committees.
- To oversee management in its implementation of effective programs to provide a safe work environment, to employ sound environmental practices, and to operate in accordance with applicable laws, regulations and permits.
- To oversee management in its implementation of an effective communications policy with regard to investors, employees, the communities in which it operates and the governments of those communities.
- The Board of Directors Charter was reviewed by the Corporate Governance Committee and last approved by the Silvercorp Board on 9 August 2023.

(c) **Corporate Governance Committee**

The Corporate Governance Committee is responsible for assisting the Silvercorp Board in establishing and maintaining a sound system of corporate governance through a process of continuing assessment and enhancement. The Corporate Governance Committee works to ensure that:

- the Silvercorp Board functions independently of management;
- management is clearly accountable to the Silvercorp Board; and
- procedures are in place to monitor the effectiveness of the performance of the Silvercorp Board, the committees of the Silvercorp Board and individual directors.

The Corporate Governance Committee is comprised of Paul Simpson, Marina Katusa and Ken Robertson, all of whom are independent directors pursuant to NI 52-110. The Corporate Governance Committee Charter is detailed below.

(d) **Corporate Governance Committee Charter**

Silvercorp has established a Corporate Governance Committee of the Silvercorp which consists of three or more directors, all of whom shall be independent. The Corporate Governance Committee meets at least annually, or more frequently as

required. The Corporate Governance Committee's mandate is to assist the Silvercorp Board in establishing and maintaining a sound system of corporate governance through a process of continuing assessment and enhancement.

The Corporate Governance Committee's duties and responsibilities are:

- to advise the Chairman of the Silvercorp Board and the Silvercorp Board on matters of corporate governance, including adherence to any governance guidelines or rules established by applicable regulatory authorities;
- to advise the Silvercorp Board on issues of conflict of interest for individual directors;
- to examine the effectiveness of Silvercorp's corporate governance practices at least annually and to propose such procedures and policies as the Corporate Governance Committee believes are appropriate to ensure that the Silvercorp Board functions independently of management, management is accountable to the Silvercorp Board and procedures are in place to monitor the effectiveness of performance of the Silvercorp Board, committees of the Silvercorp Board and individual directors;
- to develop and review, together with the Chairman, CEO and the President of the Silvercorp Board, annual Silvercorp Board goals or improvement priorities;
- to identify and to recommend to the Silvercorp Board suitable candidates for nomination as new directors, and to review the credentials of directors standing for re-election. In making its recommendations, the Corporate Governance Committee should consider:
 - the competencies and skills that the Silvercorp Board considers to be necessary for the Silvercorp Board, as a whole, to possess;
 - the competencies and skills that the Silvercorp Board considers each existing director to possess; and
 - the competencies and skills each new nominee will bring to the boardroom.
- The Corporate Governance Committee should also consider whether or not each new nominee can devote sufficient time and resources to his or her duties as a Silvercorp Board member:
- with assistance of management, to organise and provide an orientation program for new directors where appropriate;
- to periodically review the mandates of the Silvercorp Board and committees of the Silvercorp Board and determine what additional committees of the Silvercorp Board, if any, are required or appropriate;
- to develop such codes of conduct and other policies as are appropriate to deal with the confidentiality of Silvercorp's information, insider trading and Silvercorp's timely disclosure and other public company obligations;
- to take such other steps as the Corporate Governance Committee decides are appropriate, in consultation with the Silvercorp Board, to ensure that proper corporate governance practices are in place for Silvercorp, with reference to the TSX guidelines or recommendations and other regulatory requirements on corporate governance; and

- to review its charter and assess annually the adequacy of this mandate, the effectiveness of its performance and, when necessary, and to recommend changes to the Silvercorp for its approval.

This charter was reviewed by the Corporate Governance Committee and last approved by the Silvercorp Board on 9 August 2023.

(e) **Corporate governance disclosures of Silvercorp under NI 58-101**

Below is Silvercorp's corporate governance disclosure under NI 58-101. This is not a corporate governance statement for the purposes of the ASX Listing Rules.

#	Governance Disclosure Guidelines under NI 58-101	Corporate Governance Practices of Silvercorp
1.	Board of directors	
(a)	Disclose the identity of directors who are independent.	The following members of the Silvercorp Board are considered to be "independent" within the meaning of NI 58-101: Paul Simpson, Marina Katusa, Yikang Liu and Ken Robertson.
(b)	Disclose the identity of directors who are not independent, and describe the basis for that determination.	The following director is not independent for the reasons stated: Rui Feng is currently the CEO of Silvercorp.
(c)	Disclose whether or not a majority of directors are independent. If a majority of directors are not independent, describe what the Silvercorp Board does to facilitate its exercise of independent judgment in carrying out its responsibilities.	A majority of Silvercorp's current directors are independent.
(d)	If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in the same jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.	<ul style="list-style-type: none"> • Rui Feng is a director of Tincorp Metals Inc.; • Paul Simpson is a director of New Pacific Metals; • Marina Katusa is a director of Osisko Development Corp; and • Ken Robertson is a director of Mountain Province Diamonds Inc., and Gold Royalty Corporation.
(e)	Disclose whether or not the independent directors hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. If the independent directors hold such meetings, disclose the number of meetings held since the issuer's most recently completed financial year. If the independent directors do not hold such meetings, describe what the Silvercorp Board does to facilitate open and candid discussion among its independent directors.	The independent directors hold meetings at which non-independent directors and members of management are not in attendance at the end of every regularly scheduled Silvercorp Board meeting.

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**Governance Disclosure Guidelines
under NI 58-101**

**Corporate Governance Practices of
Silvercorp**

(f) Disclose whether or not the chair of the Silvercorp Board is an independent director. If the Silvercorp Board has a chair or lead director who is an independent director, disclose the identity of the independent chair or lead director, and describe his or her role and responsibilities. If the Silvercorp Board has neither a chair that is independent nor a lead director that is independent, describe what the Board does to provide leadership for its independent directors.

(g) Disclose the attendance record of each director for all Silvercorp Board meetings held since the beginning of the issuer's most recently completed financial year.

- Rui Feng, Chairman of the Silvercorp Board, is not an independent director. Paul Simpson is the independent lead director of the Silvercorp Board. The role of the independent lead director is to act as the Chair for all meetings referred in section (e) above in this table.
- The Silvercorp Board adopted a formal written mandate which defines its stewardship responsibilities to which all Silvercorp Board members strictly adhere.

Name of directors	Board meeting	Audit committee meeting	Governance committee meeting	Compensation committee meeting	Sustainability committee meeting
Rui Feng	5 of 5	NA	NA	NA	1 of 1
Paul Simpson	5 of 5	NA	1 of 1	1 of 1	NA
David Kong	5 of 5	4 of 4	NA	1 of 1	NA
Marina A. Katusa	5 of 5	4 of 4	1 of 1	NA	1 of 1
Yikang Liu	5 of 5	NA	NA	1 of 1	1 of 1
Ken Robertson	5 of 5	4 of 4	1 of 1	NA	NA

2. Board mandate

- (a) Governance Disclosure Guidelines under NI 58-101
- (b) Disclose the text of the Board's written mandate. If the Board does not have a written mandate, describe how the Board delineates its role and responsibilities.

Corporate Governance Practices of Silvercorp.

The Silvercorp Board is responsible for the stewardship of Silvercorp and for the oversight of its management and affairs. Directors shall exercise their best business judgment in a manner consistent with their fiduciary duties.

The Silvercorp Board's primary responsibilities, which are discharged directly and through delegation to its committees, include the following:

- To act honestly and in good faith with a view to the best interests of the company.
- To exercise due care, diligence and skill that reasonably prudent persons would exercise in comparable circumstances.
- Consistent with its responsibilities to the company, to further the interests of the shareholders.
- To consider business opportunities and risks, and to adopt business strategies and/or strategic plans from time to time.
- To identify the principal risks of the company's business in consultation with management, and to implement an appropriate system to manage these risks.

#	Governance Disclosure Guidelines under NI 58-101	Corporate Governance Practices of Silvercorp
		<ul style="list-style-type: none"> • To develop and oversee an investor relations and shareholder communications policy (Corporate Disclosure Policy) for the company. • To oversee management's adoption of effective internal control and management information systems. • To review and approve annual and quarterly financial statements and the publication thereof by management. • To review and approve operating plans and any capital budget plans. • To select and approve all key executive appointments, and to monitor executive development. • To develop and update, as required, the company's approach to corporate governance, including establishing a set of corporate governance principles and guidelines that are specifically applicable to the company. • To adopt a code of conduct to govern employees and management in their activities for and on behalf of the company. • To promote diversity throughout the company, commensurate with the company's needs. • To promote a culture of integrity throughout the company consistent with the adopted code of conduct. • To take action on issues that by law or practice require the independent action of the Silvercorp Board or one of its committees. • To oversee management in its implementation of effective programs to provide a safe work environment, to employ sound environmental practices, and to operate in accordance with applicable laws, regulations and permits. • To oversee management in its implementation of an effective communications policy with

#	Governance Disclosure Guidelines under NI 58-101	Corporate Governance Practices of Silvercorp
		regard to investors, employees, the communities in which it operates and the governments of those communities.
	3. Position descriptions	
	(a) Disclose whether or not the Silvercorp Board has developed written position descriptions for the Chair and the Chair of each Silvercorp Board committee. If the Silvercorp Board has not developed written position descriptions for the Chair and/or the Chair of each Silvercorp Board committee, briefly describe how the Silvercorp Board delineates the role and responsibilities of each such position.	The Board has developed written position descriptions for the CEO, the Chair of each Silvercorp Board Committee and the Directors which are posted on Silvercorp's website at: https://silvercorpmetals.com/corporate-governance/ .
	(b) Disclose whether or not the Silvercorp Board and CEO have developed a written position description for the CEO. If the Silvercorp Board and CEO have not developed such a position description, briefly describe how the Silvercorp Board delineates the role and responsibilities of the CEO.	The Silvercorp Board and CEO have adopted a written position description for the CEO which are posted on Silvercorp's website at https://silvercorpmetals.com/corporate-governance/ .
	4. Orientation and continuing education	
	(a) Briefly describe what measures the Silvercorp Board takes to orient new directors regarding (i) the role of the Silvercorp Board, its committees and its directors, and (ii) the nature and operation of the issuer's business.	<p>Each new director, on joining the Silvercorp Board, is given an outline of the nature of Silvercorp's business, its corporate strategy, current issues within Silvercorp, the expectations of Silvercorp concerning input from directors and the general responsibilities of Silvercorp's directors.</p> <p>Silvercorp provides new directors with an orientation program upon joining Silvercorp that includes copies of relevant financial, technical, geological and other information regarding its properties, as well as meetings with management.</p> <p>Board members are encouraged to communicate with management and auditors, to keep themselves current with industry trends and developments, and to attend related industry seminars. Silvercorp may also request that Silvercorp Board members be advised by counsel to Silvercorp of their legal obligations as directors of Silvercorp. Directors have been and will continue to be given tours of Silvercorp's mines and development sites to give such directors additional insight into Silvercorp's business.</p>

#	Governance Disclosure Guidelines under NI 58-101	Corporate Governance Practices of Silvercorp
	<p>(b) Briefly describe what measures, if any, the Silvercorp Board takes to provide continuing education for its directors. If the Silvercorp Board does not provide continuing education, describe how the Silvercorp Board ensures that its directors maintain the skill and knowledge necessary to meet their obligations as directors.</p>	<p>Directors have been and will continue to inspect Silvercorp's sites of mining operations, mine development, and exploration sites to give the directors an updated view of Silvercorp's business.</p> <p>In addition, from time to time, Silvercorp instructs its General Counsel and its Corporate Secretary to circulate to the Silvercorp Board members a memorandum summarising new and evolving precedents applicable to directors of public companies with respect to their conduct, duties and responsibilities. Individual directors, and the General Counsel and Corporate Secretary, from time to time, attend continuing education courses to stay abreast of latest developments in corporate governance and regulatory compliance issues. Silvercorp also circulates feedback and commentary when received from proxy advisory firms to the directors.</p>
5.	Ethical business conduct	
	<p>(a) Disclose whether or not the Silvercorp Board has adopted a written code for the directors, officers and employees. If the Silvercorp Board has adopted a written code:</p> <p>(i) disclose how a person or company may obtain a copy of the code;</p> <p>(ii) describe how the Silvercorp Board monitors compliance with its code, or if the Silvercorp Board does not monitor compliance, explain whether and how the Silvercorp Board satisfies itself regarding compliance with its code; and</p> <p>(iii) provide a cross-reference to any material change report filed since the beginning of the issuer's most recently completed financial year that pertains to any conduct of a director or executive officer that constitutes a departure from the code.</p>	<p>As part of its stewardship responsibilities, the Silvercorp Board approved a formal "Code of Business Conduct and Ethics" (the Code) that is designed to deter wrong-doing and to promote honest and ethical conduct and full, accurate and timely disclosure. A copy of the Code is available on Silvercorp's website www.silvercorpmetals.com and may be obtained by contacting Silvercorp.</p> <p>The Corporate Governance Committee is responsible for setting the standards of business conduct contained in the Code and overseeing and monitoring compliance with the Code. The Code also sets out mechanisms for the reporting of unethical conduct.</p> <p>The Code is applicable to all employees, consultants, officers and directors, regardless of their position with Silvercorp, at all times and everywhere Silvercorp does business. The Code provides that Silvercorp's employees, consultants, officers and directors will uphold its commitment to a culture of honesty, integrity and accountability.</p> <p>The Silvercorp Board has not granted any waiver of the Code in favour of a director or executive officer, and no material change report has been required or filed in connection with the Code.</p> <p>When proposed transactions or agreements in which directors or officers may have an interest, material</p>

#	Governance Disclosure Guidelines under NI 58-101	Corporate Governance Practices of Silvercorp
		<p>or not, are presented to the Silvercorp Board, the directors are required to disclose any such interest and the persons who have such an interest are excluded from all discussion on the matter and are not permitted to vote on the proposal. All such interests in transactions or agreements involving senior management are dealt with by the Silvercorp Board, regardless of apparent immateriality.</p> <p>The Silvercorp Board also adopted a formal “Code of Ethical Conduct for Financial Managers” that is applicable to all financial managers of Silvercorp, being Silvercorp’s CEO, CFO, principal accounting officer, controller and persons performing similar functions.</p> <p>Further, the Silvercorp Board approved and implemented a “Whistle Blower” process available to all directors, officers, employees, and any other party. The Chair of the Audit Committee monitors and reports any alleged wrongdoing to the Audit Committee.</p> <p>The Silvercorp Board approved and implemented a Corporate Disclosure Policy to ensure that communications to the investing public about Silvercorp and its subsidiaries are timely, factual and accurate; and broadly disseminated in accordance with all applicable legal and regulatory requirements.</p> <p>Further, Silvercorp has adopted a Human Rights Statement which is stated below and included on Silvercorp’s website:</p> <p>Silvercorp is committed to supporting the human rights of our employees, local community members and all other stakeholders affected by our operations. We do not tolerate human rights abuses throughout any of our business activities, including child labour or forced labour of any kind. We strive to comply with all applicable regulations and laws and endeavour to act in accordance with the International Bill of Human Rights, the Universal Declaration on Human Rights, and the UN Voluntary Principles on Security and Human Rights. All Silvercorp employees are expected to uphold and respect the human rights of others, including but not limited to complying with Silvercorp’s Code of Business Conduct & Ethics, Anti-Corruption Policy and other Silvercorp policies and procedures.</p>

#	Governance Disclosure Guidelines under NI 58-101	Corporate Governance Practices of Silvercorp
	<p>(b) Describe any steps the Silvercorp Board takes to ensure directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest.</p> <p>(c) Describe any other steps the Silvercorp Board takes to encourage and promote a culture of ethical business conduct.</p>	<p>Directors must disclose to Silvercorp's General Counsel any instances in which they perceive they have a material interest in any matter being considered by the Silvercorp Board. If it is determined there is a conflict of interest, or that a material interest is held, the conflict must be disclosed to the Silvercorp Board. In addition, the interested Silvercorp Board member must refrain from voting and exit the meeting while the transaction at issue is being considered by the Silvercorp Board.</p> <p>Silvercorp has also adopted a Diversity and Inclusion Statement, which is set out in item 11 below.</p> <p>The Corporate Governance Committee is responsible for setting the standards of business conduct contained in the Code and for overseeing and monitoring compliance with the Code.</p> <p>The Silvercorp Board sets the tone for ethical conduct throughout Silvercorp by considering and discussing ethical considerations when reviewing the corporate transactions of Silvercorp.</p>
6.	Nomination of directors	
	<p>(a) Describe the process by which the Silvercorp Board identifies new candidates for Silvercorp Board nomination.</p> <p>(b) Disclose whether or not the Silvercorp Board has a nominating committee composed entirely of independent directors. If the Silvercorp Board does not have a nominating committee composed entirely of independent directors, describe what steps the Silvercorp Board takes to encourage an objective nomination process.</p>	<p>The Silvercorp Board is responsible for recommending candidates for nomination to the Silvercorp Board and its committees. The Corporate Governance Committee, which is composed entirely of independent directors, assists the Silvercorp Board by identifying and recommending to the Silvercorp Board suitable candidates for nomination as new directors.</p> <p>The Silvercorp Board has adopted a majority voting policy as advocated by the Canadian Coalition for Good Governance. Each director nominee has agreed to tender their resignation from the board if they obtain less than a majority of votes in favour of their election in uncontested elections.</p> <p>The Corporate Governance Committee is composed entirely of independent directors. Generally, new nominees must have one or more of the following attributes: a track record in general business management, particularly with public companies; special expertise in an area of strategic interest to Silvercorp; and financial literacy. Nominees must also have the ability to devote the required time to Silvercorp, show support for Silvercorp's mission and objectives, and have a willingness to serve Silvercorp and Silvercorp Shareholders.</p>

#	Governance Disclosure Guidelines under NI 58-101	Corporate Governance Practices of Silvercorp
	(c) If the Silvercorp Board has a nominating committee, describe the responsibilities, powers and operation of the nominating committee.	The Silvercorp Board is composed of individuals who will best serve the interest of Silvercorp and assist management in achieving Silvercorp's goals. Members of the Silvercorp Board and representatives of the mining industry are often consulted for potential candidates.
7.	Compensation	
	(a) Describe the process by which the Silvercorp Board determines the compensation for the issuer's directors and officers.	Silvercorp's Chairman and Compensation Committee review overall compensation policies and make recommendations to the Silvercorp Board on the compensation of the CEO and directors. The Compensation Committee has delegated to the CEO authority to set compensation for other officers, however, the Compensation Committee and the Silvercorp Board review such compensation.
	(b) Disclose whether or not the Silvercorp Board has a Compensation Committee composed entirely of independent directors. If the Silvercorp Board does not have a Compensation Committee composed entirely of independent directors, describe what steps the Silvercorp Board takes to ensure an objective process for determining such compensation.	The Compensation Committee is comprised of three directors who are all independent.
	(c) If the Silvercorp Board has a Compensation Committee, describe the responsibilities, powers and operation of the Compensation Committee.	<p>The Compensation Committee of the Silvercorp Board consists of at least three directors, a majority of whom shall be independent. The Committee meets at least annually, or more frequently as required.</p> <p>The purpose of the Compensation Committee is to assist the Silvercorp Board in discharging its duties relating to compensation of the executive officers of the company, the goals are to enable the company to attract, retain and motivate the most qualified talent who will contribute to the long term success of the company by aligning compensation with the company's business objectives and performance, and aligning incentives with the interests of shareholders to maximise shareholders' value. The Compensation Committee's duties and responsibilities are:</p> <ul style="list-style-type: none"> • To make recommendations to the Board with respect to the compensation of senior management and executive officers of the company.

#	Governance Disclosure Guidelines under NI 58-101	Corporate Governance Practices of Silvercorp
		<ul style="list-style-type: none"> To review the compensation and benefits of the directors in their capacity as directors of the company to ensure that such compensation reflects the responsibilities and risks involved in being a director. To review and make recommendations to the Board as to the general compensation and benefits policies and practices of the company, including incentive stock options for all employees, consultants, directors and officers. To review the disclosure to be made of director and executive remuneration in the Management Information Circular prepared for its annual meeting of shareholders. To ensure there are appropriate training, development and benefit programs in place for management and staff. To review and make recommendations to the Board for its approval on any special compensation and benefit arrangements. To review its compensation practices by comparing them to surveys of relevant competitors and to set objective compensation based on this review. To perform such other functions as the Board may from time to time assign to the Committee. To review its charter and assess annually the adequacy of this mandate, the effectiveness of its performance, and to recommend changes to the Board for its approval.
8.	<p>Other Silvercorp Board Committees</p> <p>If the Silvercorp Board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.</p>	<p>The Sustainability Committee is comprised of three directors who are all independent. The Silvercorp Board has no other committees other than as noted above. From time to time, the Silvercorp Board will establish special independent committees as required for good corporate governance.</p>

#	Governance Disclosure Guidelines under NI 58-101	Corporate Governance Practices of Silvercorp
9.	Assessments Disclose whether or not the board, its committees and individual directors are regularly assessed with respect to their effectiveness and contribution. If assessments are regularly conducted, describe the process used for the assessments. If assessments are not regularly conducted, describe how the board satisfies itself that the board, its committees, and its individual directors are performing effectively.	The Silvercorp Board and its committees, namely, the Corporate Governance Committee, the Compensation Committee, the Audit Committee and Sustainability Committee, annually, and at such other times as they deem fit, monitor the adequacy of information given to directors, communications between the Board and management and the strategic direction and processes of the Silvercorp Board and its committees. As part of the assessments, the Silvercorp Board and/or the committees review their respective charters and conduct reviews of applicable corporate policies.
10.	Director term limits Disclose whether or not the issuer has adopted term limits for the directors on its board or other mechanisms of board renewal and, if so, include a description of those director term limits or other mechanisms of board renewal. If the issuer has not adopted director term limits or other mechanisms of board renewal, disclose why it has not done so.	Silvercorp has not adopted term limits. The Corporate Governance Committee, however, considers the issue of board renewal on an annual basis when considering the slate of director nominees.
11.	Policies regarding the representation of women on the board Disclose whether the issuer has adopted a written policy relating to the identification and nomination of women directors. If the issuer has not adopted such a policy, disclose why it has not done so.	<p>Currently 20% of the Silvercorp Board members are female. Even though the Board has not adopted a written policy relating to the identification and nomination of female directors or a formal diversity policy, the Silvercorp Board, through its direction to management, continues to promote diversity in the workplace.</p> <p>Silvercorp has adopted a Diversity and Inclusion Statement, as stated below and posted on Silvercorp's website:</p> <p><i>At Silvercorp, we strive to integrate diversity and inclusion into all aspects of Silvercorp and are committed to building a safe and inclusive space for all. Our core values of, Respect, Equality, and Responsibility, guide our efforts and are at the forefront of our decision making across all levels. We value diversity and are dedicated to the equitable treatment of all persons regardless of gender, race, ethnicity, nationality, religion, disability, age, culture, or sexual orientation. We recognize that building an inclusive workplace means providing equal opportunities and safe working environments, as well as cultivating and maintaining a Company culture based on fairness and respect. We are committed to implementing such values</i></p>

#	Governance Disclosure Guidelines under NI 58-101	Corporate Governance Practices of Silvercorp
		<p><i>and opportunities Company wide and aspire to eliminate the barriers that interfere with such opportunities. Ultimately, we believe our people are our greatest asset, and our commitment to integrating diversity and inclusion will not only make us a better Company but will also help us retain and attract the best workforce possible.</i></p>
12.	<p>Consideration of the representation of women in the director identification and selection process</p>	<p>The Silvercorp Board is committed to fostering a diverse workplace environment where:</p> <ul style="list-style-type: none"> • individual differences and opinions are heard and respected; • employment opportunities are based on the qualifications required for a particular position at a particular time, including training, experience, performance, skill and merit; and • inappropriate attitudes, behaviours, actions and stereotypes are not tolerated and will be addressed and eliminated. <p>While the Silvercorp Board informally monitors Silvercorp's adherence to these principles, it continues to work towards formalising its policy on diversity and establishing a formal process for the evaluation of compliance with the policy. While directors will be recruited and promoted based upon their qualifications, abilities and contributions, the Corporate Governance Committee has decided that it will take into account the benefits of gender diversity when making suggestions to the Silvercorp Board for nominations of new directors. It will also add gender diversity as criteria on which to annually assess its effectiveness.</p>
13.	<p>Consideration given to the representation of women in executive officer appointments</p>	<p>Though Silvercorp does not have any female executive officers at this time, Silvercorp has benefited from the distinguished service of a number of women in senior executive positions. From 2006 to 2015, Silvercorp's CFOs were female. While executive officers will continue to be recruited and promoted based upon their qualifications, abilities and contributions, gender diversity is</p>

#	Governance Disclosure Guidelines under NI 58-101	Corporate Governance Practices of Silvercorp
		included in the list of contributions to be considered when selecting candidates.
14.	Silvercorp's Targets Regarding the Representation of Women on the Board and in Executive Officer Positions	
(a)	Disclose whether the issuer has adopted a target regarding women on the issuer's board. If the issuer has not adopted a target, disclose why it has not done so.	Silvercorp has not adopted any targets for the number of women on the Silvercorp Board. Silvercorp will consider it in the future. Also see responses to items 11, 12 and 13 above.
(b)	Disclose whether the issuer has adopted a target regarding women in executive officer positions of the issuer. If the issuer has not adopted a target, disclose why it has not done so.	Silvercorp has not adopted any targets for the number of women in executive officer positions. Silvercorp will consider it in the future. Also see responses to items 11, 12 and 13 above.
15.	Number of women on the Silvercorp Board and in executive officer positions	
	Disclose the number and proportion (in percentage terms) of directors on the issuer's board who are women.	There is currently one female director on the Silvercorp Board representing 20% of the Silvercorp Board. There are currently no women in executive officer positions.

4.5 Health, safety, environment and social responsibility

Silvercorp prioritises environmental protection, as well as ensuring a safe workplace for all employees and contractors at all of our sites. In an effort to further illustrate Silvercorp's commitment to strengthening its management team, both the Ying Mining District and GC Mine have successfully passed the annual review for the Environmental Management System (ISO 14001) certification in Fiscal 2023.

Safety is a priority at Silvercorp. In Fiscal 2023, Silvercorp arranged more than 1,700 safety training sessions, which covered 100% of workers at the Ying Mining District and the GC Mine. Both the Ying Mining District and GC Mine have successfully passed the annual review for the Occupational Health and Safety Management System (ISO 45001) certification in Fiscal 2023.

In addition to the "Green Mine" certification at the "SGX-HZG Mine" (being the certification relating to the SGX Mine and the HZG Mine), "TLP-LME Mine" (being the certification relating to the TLP Mine, the LME Mine and the HPG Mine) at the Ying Mining District and the GC Mine, the DCG Mine at the Ying Mining District is also in the process of applying for the "Green Mine" certification. In Fiscal 2023, Silvercorp processed approximately 480,000 tonnes of waste rock from the Ying Mining District. Silvercorp also developed an automated chemical precipitation system to treat water from underground mines, and then through an automated control system to supply the treated water to the mill for ore processing and to local farmers for irrigation.

The "Green Mine" certification is awarded to mines based on criteria set by the Chinese Ministry of Natural Resources. Assessments evaluate a broad range of topics, including compliance with relevant mining licenses and regulations, environmental impacts, safety record, efficiency of operations and energy use, stakeholder relationships, and environmental impact and managerial structure. To qualify as a "Green Mine", mines need to pass an independent, on-site inspection and assessment and are subject to ongoing supervision and random site audits by the provincial Departments of Natural Resources.

In Fiscal 2023, Silvercorp spent approximately US\$2.0 million in the efforts to reduce its energy and water consumption, to minimize the negative impact of greenhouse gas emissions and water quality, and to comply with the requirements of the "Green Mine" certification.

Silvercorp is committed to creating sustainable value in the communities where our people work and live. Guided by research conducted by our local offices, Silvercorp participates in, and contributes to numerous community programs that typically centre on education and health, nutrition, environmental awareness, local infrastructure and fostering additional economic activity. In addition to the taxes and fees paid to various levels of government in China, in Fiscal 2023, Silvercorp also contributed approximately US\$3.3 million to social programs, including:

- US\$2.8 million contributions to the local county to help improve local infrastructure, environmental protection and help the local community with a clean water access project;
- US\$0.2 million donation to the charity association and local communities to promote community health and poverty reduction in the local communities, with an emphasis on children and seniors, with periodic visits and subsidies; and,
- US\$0.3 million donations to institutions in scholarship or education assistance programs to support children's education at the local and national levels.
- Further details of Silvercorp's approach to environmental, social and governance management can be found in its Sustainability Report which is available on the Silvercorp's website at <https://silvercorpmetals.com/reporting/>.

4.6 Board and senior management

(a) Board

As at the date of this Bidder's Statement, the members of the Silvercorp Board are as follows:

Name and position	Profile
Dr Rui Feng Chairman, Chief Executive Officer, and Director	<p>Dr Rui Feng has been a director of Silvercorp since 2003. Dr Rui Feng has over 28 years of global mining industry experience. He was integral in discovering China Gold International Resources, formerly Jinshan Gold's CSH Gold Mine in China in 2002, and New Pacific Metals' Silver Sand project in Bolivia in 2017. Dr Feng started the now business of Silvercorp in 2003 by acquiring early-stage mining projects in China. Through discovery and development, Silvercorp has become one of the most profitable Canadian mining companies, with multiple mines in China.</p> <p>Dr Feng obtained his B.Sc. and M.Sc. degrees in Geology in China, his Ph.D. in Geological Sciences from the University of Saskatchewan in Canada in 1992, and received a Post-Doctoral fellowship from the National Sciences and Engineering Council of Canada in 1992. Dr Feng supports many community and social causes through contributions made personally and through the actions of the companies he leads.</p> <p>Dr Feng is also a director of Tincorp Metals Inc. (TSX-V:TIN and OTCQX:TINFF).</p>
Paul Simpson	Mr Paul Simpson is a Vancouver based corporate securities lawyer with the firm Armstrong Simpson. Mr. Simpson

Name and position	Profile
Independent Non-Executive Director	<p>holds a Certificate in Mining Law from Osgoode Hall Law School.</p> <p>Mr Simpson has over 25 years of experience, predominately advising public companies with international natural resource property holdings.</p> <p>Mr Simpson is independent within the meaning of NI 52-110. Notwithstanding that Mr Simpson has been a director of Silvercorp since 2003, Silvercorp considers that Mr Simpson is independent for the purposes of the ASX Listing Rules because in Silvercorp's view the long period of engagement does not compromise his independence and will not interfere with his capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of Silvercorp as a whole.</p> <p>Mr Simpson is the lead independent director of Silvercorp, a member of the Audit Committee, a member of the Corporate Governance Committee and a member of the Compensation Committee.</p> <p>Mr Simpson is also a director of New Pacific Metals Corp. (TSE:NUAG and the NYSE American:NEWP).</p>
<p>Yikang Liu</p> <p>Independent Non-Executive Director</p>	<p>Mr. Yikang Liu is the Past Deputy General Secretary of the China Mining Association and the 35th & 36th Vice-Chairman of the Geological Society of China. Before he retired in 2001, Mr. Liu was the Chief Geologist for the former Ministry of Metallurgical Industry of China. While there, he made significant contributions to the amendment of the last China Mineral Resources Law. Mr. Liu, representing Chinese interests, is the person responsible for the establishment of the first Sino-foreign joint venture for mineral exploration in China.</p> <p>Mr. Liu has over 40 years of geological experience in managing, evaluating and exploring mineral projects for the Chinese government in China and in many countries around the world including Bolivia, Ethiopia, Greenland, Iran, Madagascar, Peru, the Philippines and Zambia.</p> <p>In a mentoring capacity, Mr. Liu was an Adjunct Professor of Geology at the Changchun College of Technology, Northeast University and the China University of Geoscience.</p> <p>Mr Liu is independent within the meaning of NI 52-110. Notwithstanding that Mr Liu has been a director of Silvercorp since 2006, Silvercorp considers that Mr Liu is independent for the purposes of the ASX Listing Rules because in Silvercorp's view the long period of engagement does not compromise his independence and will not interfere with his capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of Silvercorp as a whole.</p>

Name and position	Profile
	<p>Mr Liu is a member of the Compensation Committee and a member of the Sustainability Committee.</p>
<p>Marina Katusa</p> <p>Independent Non-Executive Director</p>	<p>Ms. Katusa has over 15 years of business experience in areas including mineral exploration, research analysis, strategic planning, and corporate development. Ms. Katusa earned a Master of Business Administration (MBA) degree, and a Bachelor of Science (BSc) degree in Geology/Earth & Ocean Science from the University of British Columbia.</p> <p>She has been the President and CEO of Canita Consulting Corporation since 2010. She was a member of the Board of Directors of Family Services of Greater Vancouver from 2016 to 2020, Director of Corporate Development and Strategy at GCT Global Container Terminals Inc from 2013 to 2017, and the Vice President of Exeter Resource Corporation from 2012 to 2013.</p> <p>Ms Katusa is also a director of Osisko Development Corp. (TSX-V:ODV and the NYSE:ODV) and was previously on the Board of Family Services of Greater Vancouver.</p> <p>Ms Katusa is independent within the meaning of NI 52-110 and for the purposes of the ASX Listing Rules. Ms Katusa has been a director of Silvercorp since 2017.</p> <p>Ms Katusa is a member of the Audit Committee, a member of the Corporate Governance Committee and a member of the Sustainability Committee.</p>
<p>Ken Robertson</p> <p>Independent Non-Executive Director</p>	<p>Mr. Robertson is a Chartered Professional Accountant with over 35 years of public accounting experiences in Canada and England. He was a partner, and Global Mining & Metals Group Leader with Ernst & Young LLP. During his career at EY in Canada and the United Kingdom, Mr. Robertson developed extensive experience in initial public offerings, financings, governance and securities regulatory compliance.</p> <p>Mr. Robertson holds a Bachelor of Commerce degree from McMaster University and the ICD.D designation from the Institute of Corporate Directors.</p> <p>Mr Robertson is also a director of Mountain Province Diamonds Inc. (TSX:MPVD), and Gold Royalty Corporation. (the NYSE American:GROY).</p> <p>Mr Robertson is independent within the meaning of NI 52-110 and for the purposes of the ASX Listing Rules. Mr Robertson has been a director of Silvercorp since 2022.</p> <p>Mr Robertson is a member of the Audit Committee, a member of the Corporate Governance Committee and a member of the Compensation Committee.</p>

(b) **Senior Management**

As at the date of this Bidder's Statement, the senior management of Silvercorp comprises the following:

Name position	and Profile
Dr Rui Feng Chairman, Chief Executive Officer, and Director	See section 4.6(a).
Derek Liu Chief Financial Officer	Derek Liu is a member of Chartered Professional Accountants of British Columbia. He has held senior accounting positions, such as corporate controller and chief financial officer, at a number of public Canadian mining companies for the past several years including the role of financial controller of Silvercorp from 2006 to 2010. He has an MBA from Laurentian University and is a Canadian citizen. Mr Liu is also a director of Volcanic Gold Mines Inc. (TSX-V:VG and Frankfurt:CKC1) and the Chief Financial Officer of Tincorp Metals Inc. (TSX-V: TIN and OTCQX: TINFF).
Lon Shaver President	Lon Shaver has over 30 years of capital markets and corporate finance experience, mainly focused on the mining sector. He held investment banking roles with Raymond James and Merrill Lynch, assisting corporate issuers with numerous financing and M&A transactions. He began his career in equity research with an institutional sell-side firm and his previous corporate experience includes CFO roles with a publicly-listed mining company and a private technology company. Most recently, he acted as a consultant and advisor, providing corporate development and capital markets support to a number of companies in the resource sector. He has a B.Comm. degree, with a major in finance, and is a CFA charter-holder. Mr Shaver is also a director and Chair of the Audit Committee of Omai Gold Mines Corp. (TSX-V:OMG and OTC:OMGGF), Precipitate Gold Corp. (TSX-V: PRG) and Storm Exploration Inc. (TSX-V:STRM).

(c) **Interests of Silvercorp Directors and senior management**

Interests in Silvercorp Shares

As at the date of this Bidder's Statement, the Silvercorp Directors and senior management have the following beneficial ownership interest in Silvercorp Shares.

Name	Silvercorp Shares beneficially owned (Percentage of outstanding Silvercorp Shares)	Options	RSUs	Beneficial Ownership Total (Percentage on a fully diluted basis)
Rui Feng⁹	5,863,000 (3.31%)	370,000	1,483,000	7,716,000 (4.26%)

⁹ Rui Feng is a director of New Infini and holds 3,672,020 New Infini Shares, representing 8.07% of the issued and outstanding New Infini Shares.

Name	Silvercorp Shares beneficially owned (Percentage of outstanding Silvercorp Shares)	Options	RSUs	Beneficial Ownership Total (Percentage on a fully diluted basis)
Paul Simpson ¹⁰	1,151,485 (0.65%)	48,000	41,999	1,241,484 (0.696%)
Yikang Liu ¹¹	115,334 (0.07%)	48,000	41,999	205,333 (0.11%)
Marina Katusa ¹²	156,001 (0.09%)	48,000	41,999	246,000 (0.143%)
Ken Robertson	6,667 (0.004%)	10,000	33,333	50,000 (0.03%)
Derek Liu ¹³	207,510 (0.12%)	110,000	104,990	422,500 (0.232%)
Lon Shaver ¹⁴	161,082 (0.09%)	70,000	117,918	349,000 (0.19%)

No fees or benefits have been given or agreed to be given to any Silvercorp Director or senior manager in connection with the Offer.

Material contracts with directors and executive officers

There are no material contracts between Silvercorp and its directors or senior executive officers other than their relevant appointment agreement or employment agreement.

Other director compensation

Non-Executive Directors of Silvercorp are compensated for acting as directors, and may be granted Silvercorp RSUs pursuant to the policies of the TSX and Silvercorp's Omnibus Plan. The Non-Executive Directors may also be awarded non-equity incentive. The Silvercorp Board as a whole determines the Silvercorp RSUs and non-equity incentive for each director, after considering recommendation by the Compensation Committee.

The following table shows a breakdown of the fees payable to independent directors in Fiscal 2023.

Nature of Board duty	Amount (CAD\$)
Annual retainer fee for each Non-Executive Director	\$60,000
Additional annual retainer fee for Mr Simpson as the lead independent director	\$10,000

¹⁰ Paul Simpson is director of New Infini and holds 154,002 New Infini Shares, representing 0.34% of the issued and outstanding New Infini Shares.

¹¹ Yikang Liu holds 88,001 New Infini Shares, representing 0.19% of the issued and outstanding New Infini Shares.

¹² Marina Katusa holds 118,802 New Infini Shares, representing 0.26% of the issued and outstanding New Infini Shares.

¹³ Derek Liu holds 132,002 New Infini Shares, representing 0.29% of the issued and outstanding New Infini Shares.

¹⁴ Lon Shaver holds 118,801 New Infini Shares, representing 0.26% of the issued and outstanding New Infini Shares. Mr. Shaver resigned as a director of New Infini on 31 December 2020.

Nature of Board duty	Amount (CAD\$)
Additional annual retainer fee for Chair of the Audit Committee	\$18,000
Additional annual retainer fee for Chair of the Compensation Committee	\$15,000
Additional annual retainer fee for Chair of the Corporate Governance and Nominating Committee	\$12,000
Additional annual retainer fee for Chair of the Sustainability Committee	\$5,000

4.7 Arrangements with employees

(a) Employment agreements with CEO, CFO and President

Below is a summary of the employment agreements with Silvercorp's CEO, CFO and President.

Dr. Rui Feng, CEO, Chairman and Director

Dr. Rui Feng entered into an agreement to provide senior executive services to Silvercorp, at a base annual salary or consulting fee, which will be reviewed and adjusted by the Silvercorp Board from time to time. Under the agreement, either party may terminate the agreement for any reason upon thirty (30) days written notice. In the event that Silvercorp provides notice to terminate this agreement, it shall pay Dr Rui Feng a termination fee equal to the full amount of the annual consulting fee, plus an additional 1/6th of the annual consulting fee for each year of service provided which commenced in September 2003.

Derek Liu, CFO

On June 26, 2019, Silvercorp entered into an agreement to engage Derek Liu to provide services as Chief Financial Officer of Silvercorp at a base annual salary, which is reviewed and adjusted from time to time by Silvercorp. Derek Liu agreed to a "Non-Competition Period" of twelve months after the termination of his employment agreement.

Lon Shaver, President

On July 16, 2018, Silvercorp entered into an employment agreement to engage Lon Shaver as Vice President of Silvercorp, at a base salary, which is reviewed and adjusted from time to time by Silvercorp. In September 2023, Lon Shaver was promoted to the President of Silvercorp. Lon Shaver agreed to a "Non-Competition Period" of twelve months after the termination of his employment agreement.

Change of Control Agreements

Silvercorp has in effect change of control agreements with each of Dr Rui Feng and Derek Liu. The terms of the change of control agreements provide that if an executive officer's employment agreement or consulting agreement, as applicable, is terminated, other than for cause, within 18 months after a "Change of Control", the executive officer shall be entitled to: (i) a lump sum payment equal to 18 months base compensation plus any other amounts owed for compensation in arrears, (ii) bonus, if awarded, (iii) continuation of benefits for 18 months, (iv) immediate vesting of all outstanding Options, registered share units and other rights and entitlements, (v) payment of recruitment services to assist in securing alternative employment. Silvercorp is responsible for the payment of the Change of Control payments and

there are no requirements to receiving a Change of Control payment (such as execution of a non-competition agreement, non-solicitation agreement or confidentiality agreement).

(b) **Employee incentive schemes**

Short Term Incentive Plan

Silvercorp does not maintain any short-term incentive plans for its employees but does award annual performance bonuses, as discussed below.

Performance Bonuses

Employees are paid performance bonuses commensurate with those offered by other companies in the same industry as Silvercorp, with consideration also given to Silvercorp's performance, individual performance and internal relativity. Considerations for employees' performance bonus are based primarily on two elements: (1) employees' personal performance; and (2) Silvercorp's performance.

The Bonus Plan provides a variable component of total cash compensation that is directly related to the operating and financial performance of Silvercorp. A total bonus pool is calculated using measurable parameters that align executive team interests with that of the Silvercorp Shareholders. A bonus pool equal to 2.5% of cash flows from operations (excluding changes in non-cash working capital) may be available to executives, other corporate headquarter employees, and certain high-ranking managers at the mine operations. From this available pool, a percentage of base salary will be awarded to an employee when Silvercorp's performance and personal performance achieve target performance for the year. The actual bonus percentage will be determined based on a weighting for achieving Silvercorp's performance, including metal production, cost, and environmental and safety performance, and personal performance according to the level of position, as shown in the following table:

Positions	Target Bonus as % of Base Salary⁽¹⁾	Company Performance⁽²⁾	Personal Performance⁽³⁾
CEO/Executive Chairman	100%	70%	30%
CFO	50%	60%	40%
Senior managers	30%	50%	50%
Other head office employees	20%	20%	80%

Notes:

- (1) For each individual, the bonus payable may be 30% of their target bonus to maximum of 200% of base salary.
- (2) Silvercorp's Performance component is based on the achievement of metal production (silver ounce equivalent), all-in sustaining production costs per tonne, and safety & environment goals. Achieving metal production targets will account for 45%, all-in sustaining production costs per tonne targets will account for 40%, and safety & environment targets 15%. If a safety & environment accident occurs and causes regulatory, legal or social damage to Silvercorp, the result of safety & environment component will be set as zero.
- (3) The Personal Performance component is based on contribution to Silvercorp's core business achievement, satisfaction to Silvercorp's requirement or core job requirements, personal skill, self-development and initiatives, attendance, familiarity with business, work planning and performance, provide leadership and guidance to other employees or follow Silvercorp's work instructions and leadership, human resource team building, shareholder communications, and Information Technology building. On an annual basis, employees and their supervisors set performance expectations and review progress toward the accomplishment of these goals.

Payment of any bonus is discretionary, is subject to final approval by Silvercorp Board and revision by the Compensation Committee as deemed necessary.

Share-Based Awards

Please see section 5.5 for information in relation to Silvercorp's incentive equity plan.

4.8 Historical financial information

(a) Overview and basis of preparation

The historical financial information in this section relates to Silvercorp on a standalone basis and, accordingly, does not reflect the impact of the Offer.

The historical information in this section has been extracted from Silvercorp's audited consolidated financial statements for Fiscal 2021 to Fiscal 2023, and the unaudited consolidated financial statements for 6 months ended 30 September 2023. Silvercorp's fiscal year starts on 1 April and ends on 31 March.

The full financial accounts for Fiscal 2021 to Fiscal 2023 (inclusive of all notes) of Silvercorp are published in Silvercorp's audited consolidated financial statements for those fiscal years, audited in accordance with the standards of the Public Company Accounting Oversight Board (United States) (**PCAOB**). The historical financial information set out in this section 4.8 is intended to provide an overview of Silvercorp's historical financial performance, position and cash flows, and is not intended to provide the level of detail or understanding which is available from a review of Silvercorp's published financial reports (which include full financial accounts and the notes to those accounts) which are available on SEDAR+, EDGAR and Silvercorp's website at <https://silvercorpmetals.com/>.

(b) **Historical income statements**

SILVERCORP METALS INC.

CONSOLIDATED STATEMENTS OF INCOME

(Expressed in US Dollars except per share figures)

	Six Months Ended September 30, 2023	2023	2022	Year Ended March 31, 2021
Revenue	\$ 113,998	\$ 208,129	\$ 217,923	\$ 192,105
Cost of mine operations				
Production costs	45,566	91,769	88,537	69,544
Depreciation and amortization	14,178	27,607	25,082	21,434
Mineral resource taxes	2,963	5,095	5,952	5,004
Government fees and other taxes	1,408	2,388	2,643	2,374
General and administrative	5,639	10,487	11,408	9,587
	69,754	137,346	133,622	107,943
Income from mine operations	44,244	70,783	84,301	84,162
Corporate general and administrative	7,460	13,249	14,181	12,365
Property evaluation and business development	223	438	921	(3,237)
Foreign exchange (gain) loss	913	(4,842)	(267)	7,746
Loss (gain) on equity investments designed as FVTPL	(483)	2,318	3,485	(7,732)
Share of loss in associates	1,345	2,901	2,188	1,846
Dilution loss on investment in associate	(733)	107	-	-
Loss (gain) on disposal of plant and equipment	30	444	210	293
Impairment of mineral rights and properties	-	20,211	-	-
Other expenses (income)	529	2,210	1,018	1,157
Income from operations	34,960	33,747	62,565	71,724
Finance income	3,236	4,654	5,217	3,767
Finance costs	(114)	(3,258)	(10,710)	(1,988)
Income before income taxes	38,082	35,143	57,072	73,503
Income tax expense	10,099	14,043	13,788	12,994
Net income	\$ 27,983	\$ 21,100	\$ 43,284	\$ 60,509
Attributable to:				
Equity holder of the Company	\$ 20,267	\$ 20,608	\$ 30,634	\$ 46,376
Non-controlling interests	7,716	492	12,650	14,133
	\$ 27,983	\$ 21,100	\$ 43,284	\$ 60,509
Earnings per share attributable to the equity holders of the Company				
Basic earnings per share	\$ 0.11	\$ 0.12	\$ 0.17	\$ 0.27
Diluted earnings per share	\$ 0.11	\$ 0.12	\$ 0.17	\$ 0.26
Weighted Average Number of Shares Outstanding – Basic	176,885,599	176,862,877	176,534,501	174,868,256
Weighted Average Number of shares Outstanding – Diluted	179,792,368	178,989,549	178,323,968	177,074,004

SILVERCORP METALS INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(Expressed in thousands of U.S. dollars)

	Six Months Ended September 30, 2023	2023	2022	Year Ended March 31, 2021
Net income	\$27,983	\$21,100	\$43,284	\$60,509
Other comprehensive (loss) income, net of taxes:				
Items that may subsequently be reclassified to net income or loss:				
Currency translation adjustment, net of tax of \$nil	(24,386)	(45,644)	13,649	44,032
Share of other comprehensive (loss) income in associate	(3)	(886)	95	(2,324)
Reclassification to net income upon ownership dilution of investment in associate	(34)			
Items that will not subsequently be reclassified to net income or loss:				
Change in fair value on equity investments designated as FVTOCI, net of tax of \$nil	(108)	(1,312)	(1,526)	12,551
Income tax effect	-	-	389	-
Other comprehensive (loss) income, net of taxes	\$(24,531)	\$(47,842)	\$12,607	\$54,259
Attributable to:				
Equity holders of the Company	\$(20,071)	\$(41,290)	\$10,597	\$49,039
Non-controlling interests	(4,460)	(6,552)	2,010	5,220
	\$(24,531)	\$(47,842)	\$12,607	\$54,259
Total comprehensive (loss) income	\$3,452	\$(26,742)	\$55,891	\$114,768
Attributable to:				
Equity holders of the Company	\$196	\$(20,682)	\$41,231	\$95,415
Non-controlling interests	3,256	(6,060)	14,660	19,353
	\$3,452	\$(26,742)	\$55,891	\$114,768

(c) **Historical statements of financial position**

SILVERCORP METALS INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in thousands of U.S. dollars)

	As at September 30, 2023	2023	2022	As at March 31, 2021
ASSETS				
Current Assets				
Cash and cash equivalents	\$119,098	\$ 145,692	\$ 113,302	\$ 118,735
Short-term investments	69,993	57,631	99,623	80,357
Trade and other receivables	1,643	1,806	3,615	1,485
Current portion of lease receivable	-	-	182	213
Inventories	7,949	8,343	9,124	9,768
Due from related parties	260	88	66	847
Income tax receivable	40	582	928	4,978
Prepays and deposits	5,275	4,906	5,468	4,806
	204,258	219,048	232,308	221,189
Non-current Assets				
Long-term prepaids and deposits	1,322	871	974	409
Long-term portion lease receivable	-	-	-	183
Reclamation deposits	6,373	6,981	8,876	8,513
Other investments	36,613	15,540	17,768	15,733

SILVERCORP METALS INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in thousands of U.S. dollars)

	As at September 30, 2023		As at March 31, 2022	
	2023	2023	2022	2021
Investment in associates	55,088	50,695	56,841	53,457
Plant and equipment	479			
Mineral rights and properties	76,511	80,059	79,418	75,729
Deferred income tax assets	299,416	303,426	326,448	277,429
	362	179	905	-
TOTAL ASSETS	\$680,422	\$ 676,799	\$ 723,538	\$ 652,642
LIABILITIES AND EQUITY				
Current Liabilities				
Accounts payable and accrued liabilities	\$44,877	\$ 36,737	\$ 39,667	\$ 30,298
Current portion of lease obligation	273	269	649	657
Deposits received	3,851	4,090	5,445	4,857
Income tax payable	362	144	277	1,363
	49,928	41,240	46,038	37,175
Non-current Liabilities				
Long-term portion of lease obligation	183	314	614	1,084
Deferred income tax liabilities	47,818	48,096	48,033	40,792
Environmental rehabilitation	6,507	7,318	8,739	7,863
Total Liabilities	104,436	96,968	103,424	86,914
Equity				
Share capital	256,113	255,684	255,444	250,199
Equity reserves	(14,851)	3,484	43,250	29,469
Retained earnings	247,938	229,885	213,702	187,906
Total equity attributable to the equity holders of the Company	489,200	489,053	512,396	467,574
Non-controlling interests	86,786	90,778	107,718	98,154
Total Equity	575,986	579,831	620,114	565,728
TOTAL LIABILITIES AND EQUITY	\$680,422	\$ 676,799	\$ 723,538	\$ 652,642

(d) **Historical statements of cash flows**

SILVERCORP METALS INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in thousands of U.S. dollars)

	Six Months Ended September 30, 2023		Year Ended March 31, 2022	
	2023	2023	2022	2021
Cash provided by Operating activities				
Net Income	\$ 27,983	\$21,100	\$43,284	\$60,509
Add (deduct) items not affecting cash:				
Finance costs	114	3,258	10,710	1,988
Income tax expense	10,099	14,043	13,788	12,994
Depreciation, amortisation and depletion	15,015	29,370	27,028	23,224
Loss (gain) on equity investments designed as FVTPL	(483)	2,318	3,485	(7,732)
Share of loss in associates	1,345	2,901	2,188	1,846
Dilution loss on investment in associate	(733)	107	-	-
Impairment of mineral rights and properties	-	20,211	-	-
Loss on disposal of plant and equipment	30	444	210	293

SILVERCORP METALS INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in thousands of U.S. dollars)

	Six Months Ended September 30,		Year Ended March 31,	
	2023	2023	2022	2021
Share-based compensation	2,737	3,842	6,096	4,307
Reclamation expenditures	(261)	(361)	(251)	(150)
Income taxes paid	(6,317)	(9,537)	(5,512)	(14,347)
Interest paid	(13)	(43)	(72)	(95)
Changes in non-cash operating working capital	8,209	(2,010)	6,424	3,075
Net cash provided by operating activities	57,725	85,643	107,378	85,912
Investing activities				
Plant and equipment Additions	(6,557)	(13,293)	(10,729)	(8,972)
Proceeds on disposals	472	215	74	51
Mineral rights and properties Capital expenditures	(23,971)	(41,664)	(43,341)	(35,661)
Acquisition	-	-	(13,135)	(7,566)
Proceeds on disposal	-	-	-	295
Reclamation deposits Paid	(29)	(317)	(293)	(460)
Refund	33	1,152	-	1,855
Other investments				
Acquisition	(22,059)	(3,702)	(8,235)	(12,708)
Proceeds on disposals	840	1,035	1,362	19,301
Investment in associates	(4,982)	(2,055)	(5,313)	(7,131)
Short-term investment				
Purchase	(29,464)	(182,299)	(171,215)	-
Redemption	13,537	214,232	143,982	9,826
Principal received on lease receivable	-	172	217	196
Net cash used in investing activities	(72,180)	(26,524)	(106,626)	(40,974)
Financing activities				
Principal payments on lease obligation	(129)	(597)	(637)	(563)
Cash dividends distributed	(2,214)	(4,425)	(4,413)	(4,368)
Non-controlling interests				
Contribution	-	-	-	2,500
Distribution	(7,248)	(10,880)	(5,096)	(3,239)
Related parties	-	-	-	-
Payments made	-	-	-	(744)
Repayments received	-	-	812	1,423
Proceeds from issuance of common shares	-	-	1,908	3,538
Common shares repurchased as part of normal course issuer bid	(572)	(2,078)	-	-
Net cash used in financing activities	(10,163)	(17,980)	(7,426)	(1,453)
Effect of exchange rate changes on cash and cash equivalents	(1,976)	(8,749)	1,241	9,473
Increase (decrease) in cash and cash equivalents	(26,594)	32,390	(5,433)	52,958
Cash and cash equivalents, beginning of the period	145,692	113,302	118,735	65,777
Cash and cash equivalents, end of the period	\$119,098	\$145,692	\$113,302	\$118,735

(e) **Management commentary on historical financials**

Full commentary on Silvercorp financial and operational results for the years ended 31 March 2021, 2022, and 2023 and for the six months ended 30 September 2023 can be found in Silvercorp's published MD&As, which are available on SEDAR+,

EDGAR and Silvercorp's website at <https://silvercorpmetals.com/>. Past performance is no guarantee of future results.

(f) **Material changes in financial position (since 30 September 2023)**

The most recent published financial statements of Silvercorp, are provided in its unaudited interim condensed consolidated financial statements for the three and six months ended 30 September 2023.

To the knowledge of the Silvercorp Directors, there has not been any material change in the financial position or performance of Silvercorp since 30 September 2023.

4.9 Current trading and outlook

(a) **Production and production costs**

As noted in section 4.2, Silvercorp prepares its CIM Mineral Reserves and CIM Mineral Resources estimates in accordance with NI 43-101, which is different to the reporting standard ordinarily applicable to ASX listed companies, the JORC Code. Because the estimates have not been prepared in accordance with the JORC Code, they are classified as "foreign estimates" under the ASX Listing Rules. See section [12.9](#)~~12.8~~ for an overview of the differences between NI 43-101 and JORC.

In relation to the reliability of the foreign estimates of CIM Mineral Resources and CIM Mineral Reserves (of Silvercorp) contained in this section 4.9, it should be noted that:

- the foreign estimates are not reported in accordance with the JORC Code;
- a Competent Person has not done sufficient work to classify the foreign estimates as Mineral Resources or Ore Reserves in accordance with the JORC Code;
- it is currently uncertain whether, following evaluation and/or further exploration work, these foreign estimates will be able to be reported as Mineral Resources or Ore Reserves in accordance with the JORC Code; and
- these foreign estimates have not been published with all the supporting data and such foreign estimates have not been verified by independent third parties.
- The following general assumptions have been applied in the preparation of the production and production costs outlook in this section 4.9(a):
 - ore and metal production guidance at the Ying Mining District and the GC Mine is based on internal mine plans for each mine developed by Silvercorp's in-house personnel, site geologists and mining engineers, who review on an ongoing basis existing reserves and resources, mine depletion, and areas that can be accessed through existing and/or future mine development;
 - projected recoveries are based on the prior year's operating experience;
 - cash cost and all in sustaining production cost (AISC) are non-IFRS measures;
 - cash cost per tonne of ore processed is the total of mining costs per tonne, shipping costs per tonne, and milling costs per tonne. All-in sustaining production cost per tonne is based on Silvercorp's cash cost, and further includes general and administrative expenses, government fees and other taxes, reclamation cost accretion, lease liability payments, and sustaining capital expenditures;

- projected costs are based on the prior year's operating experience and new contracts entered into. US Dollar amounts assume foreign exchange rates at RMB6.65/CAD\$1.30 in Fiscal 2024; and
- the production guidance and cost guidance assume Silvercorp continues its operations according to plan and there are no material disruptions to the continuity of operations at the Ying Mining District or the GC Mine.

In the fiscal year ending 31 March 2024 (**Fiscal 2024**), Silvercorp expects to mine and process 1,100,000 to 1,170,000 tonnes of ore, yielding approximately 6.8 to 7.2 million ounces of silver, 4,400 to 5,500 ounces of gold, 70.5 to 73.8 million pounds of lead, and 27.7 to 29.7 million pounds of zinc. Fiscal 2024 production guidance represents production increases of approximately 3% to 8% in ores, 0% to 25% in gold, 4% to 8% in lead, and 18% to 26% in zinc compared to the production results in Fiscal 2023.

	Ore processed (tonnes)	Head grades				Metal production				Production costs	
		Gold (g/t)	Silver (g/t)	Lead (%)	Zinc (%)	Gold (koz)	Silver (Koz)	Lead (Klbs)	Zinc (Klbs)	Cash cost (\$/t)	AISC (\$/t)
Fiscal 2024 Guidance											
Gold ore	30,000-40,000	3.6	43	0.8	0.5	3.2-4.2	40-50	450-600	90-120	-	-
Silver ore	740,000-770,000	0.1	279	4.1	0.9	1.2-1.3	6,140-6,450	62,500-65,030	9,030-9,400	-	-
Ying Mining District	770,000-810,000	0.2	267	3.9	0.8	4.4-5.5	6,180-6,500	62,950-65,630	9,120-9,520	90.4-92.6	143.8-148.8
GC Mine	330,000-360,000	-	75	1.2	2.9	0-0	620-670	7,530-8,180	18,530-20,140	50.3-52.3	79.6-84.2
Consolidated	1,100,000-1,170,000	0.1	208	3.1	1.4	4.4-5.5	6,800-7,170	70,480-73,810	27,650-29,660	78.2-80.5	136.4-142.4

In Fiscal 2024, Silvercorp plans to mine and process 770,000 to 810,000 tonnes of ore at the Ying Mining District, including 30,000 – 40,000 tonnes of gold ore with an expected head grade of 3.6 g/t gold, to produce approximately 4,400 to 5,500 ounces of gold, 6.2 to 6.5 million ounces of silver, 62.9 to 65.6 million pounds of lead, and 9.1 to 9.5 million pounds of zinc. Fiscal 2024 production guidance at the Ying Mining District represents production increases of approximately 0% to 5% in ore, 0% to 25% in gold, 3% to 8% in silver, 4% to 9% in lead, and 28% to 33% in zinc compared to the production results in Fiscal 2023. The cash production cost is expected to be US\$90.4 to US\$92.6 per tonne of ore, and the all-in sustaining production cost is estimated at US\$143.8 to US\$148.8 per tonne of ore processed, representing a 2% to 4% decrease in cash production cost and a range of a 2% decrease to a 2% increase in all-in sustaining production cost compared to the results in Fiscal 2023.

In Fiscal 2024, Silvercorp plans to mine and process 330,000 to 360,000 tonnes of ore at the GC Mine to produce 620 to 670 thousand ounces of silver, 7.5 to 8.2 million pounds of lead, and 18.5 to 20.1 million pounds of zinc. Fiscal 2024 production guidance at the GC Mine represents production increases of approximately 10% to 20% in ore, 5% to 13% in silver, -4% to 5% in lead, and 14% to 23% in zinc production compared to the production results in Fiscal 2023. The cash production cost is expected to be US\$50.3 to US\$52.3 per tonne of ore, and the all in sustaining production cost is estimated at US\$79.6 to US\$84.2 per tonne of ore processed, representing a 11% to 14% decrease in cash production cost and a range of a 4% decrease to an 1% increase in all-in sustaining production cost compared to the results in Fiscal 2023.

The following table summarises the production and production costs achieved for the six months ended 30 September 2023 compared to the above Fiscal 2024 guidance.

	Ore processed (tonnes)	Head grades				Metal production				Production costs	
		Gold (g/t)	Silver (g/t)	Lead (%)	Zinc (%)	Gold (oz)	Silver (Koz)	Lead (Klbs)	Zinc (Klbs)	Cash cost (\$/t)	AISC (\$/t)
Six months ended September 30, 2023											
Ying Mining District	421,677	0.14	244	3.5	0.7	4,010	3,103	30,400	4,310	84.54	138.42
GC Mine	134,525	-	75	1.3	2.7	-	267	3,481	7,112	64.25	94.12
Consolidated	556,202	0.10	203	3.0	1.2	4,010	3,370	33,881	11,422	79.53	141.53
Fiscal 2024 Guidance											
Ying Mining District	770,000-810,000	0.20	267	3.9	0.8	4,400 - 5,500	6,180-6,500	62,950-65,630	9,120-9,520	90.4-92.6	143.8-148.8
GC Mine	330,000-360,000	-	75	1.2	2.9	0-0	620-670	7,530-8,180	18,530-20,140	50.3-52.3	79.6-84.2
Consolidated	1,100,000-1,170,000	0.14	208	3.1	1.4	4,400 - 5,500	6,800-7,170	70,480-73,810	27,650-29,660	78.2-80.5	136.4-142.4
% of Fiscal 2024 Guidance*											
Ying Mining District	53%	70%	91%	90%	88%	81%	49%	47%	46%	92%	95%
GC Mine	39%	0%	100%	108%	93%	0%	41%	44%	37%	125%	115%
Consolidated	49%	71%	98%	97%	86%	81%	48%	47%	40%	100%	102%

*Percentage calculated based on mid-point of the related Fiscal 2024 Guidance.

*Percentage calculated based on mid-point of the related Fiscal 2024 Guidance

(b) Development and capital expenditures

The table below summarises the work plan and estimated capital expenditures in Fiscal 2024.

	Capitalized Development Work and Expenditures								Expensed	
	Ramp Development		Exploration and Development Tunnels		Diamond Drilling		Equipment, Mill and TSF	Total	Mining Preparation Tunnels	Diamond Drilling
	(Metres)	(\$ Million)	(Metres)	(\$ Million)	(Metres)	(\$ Million)	(\$ Million)	(\$ Million)	(Metres)	(Metres)
Fiscal 2024 Capitalized Work Plan and Capital Expenditure Estimates										
Ying Mining District	8,800	6.3	57,200	23.9	146,400	4.2	21.8	56.2	25,800	71,400
GC Mine	-	-	14,700	6.4	30,200	0.8	0.7	7.9	5,300	24,800
Corporate and others	-	-	-	-	-	-	0.6	0.6	-	-
Consolidated	8,800	6.3	71,900	30.3	176,600	5.0	23.1	64.7	31,100	96,200

For Fiscal 2024, on a consolidation basis, Silvercorp plans to: i) complete 8,800 metres of tunnels as major access and transportation ramps at estimated capitalised expenditures of US\$6.3 million, representing a 27% increase in meterage and a 21% increase in cost compared to the results in Fiscal 2023; ii) complete 71,900 metres of exploration and mining development tunnels at estimated capitalised expenditures of US\$30.3 million, representing a decrease of 4% in meterage and an increase of 5% in cost compared to the results in Fiscal 2023; iii) complete and capitalise 176,600 metres of diamond drilling to upgrade and explore mineral resources for future production at an estimated cost of US\$5.0 million, representing an increase of 14% in meterage and a decrease of 40% in cost compared to the results in Fiscal 2023; and iv) spend US\$23.1 million on equipment, the XRT Ore Sorting System, a paste backfill plant, the mill and a tailing storage facility. In addition to the capitalised tunnelling and drilling work, Silvercorp also plans to complete and expense 31,100 metres of mining preparation tunnels and 96,200 metres of diamond drilling.

The Ying Mining District plans to: i) complete 8,800 metres of tunnels as major access and transportation ramps at estimated capitalised expenditures of US\$6.3 million, representing an increase of 27% in meterage and an increase of 21% in cost compared to the results in Fiscal 2023; ii) complete 57,200 metres of exploration and mining development tunnels at estimated capitalised expenditures of US\$23.9 million, representing a decrease of 8% in meterage and a decrease of 4% in cost compared to the results in Fiscal 2023; iii) complete and capitalise 146,400 metres of diamond drilling to upgrade and explore mineral resources for future production at an estimated cost of US\$4.2 million, representing an increase of 18% in meterage and a decrease of 26% in cost compared to the results in Fiscal 2023; and iv) spend US\$21.8 million on equipment and facilities, including US\$12.9 million on the construction of the TSF, US\$3.0 million to build a paste backfill plant and a XRT Ore tailing storage facility system to optimise the mine plan and improve ore processing head grades, and US\$1.2 million to improve certain power facilities and to replace some electrical cables. Silvercorp still plans to complete the tailing storage facility in 2024 and is currently delaying the construction of the new 3,000 TPD mill by one year. In addition to the capitalised tunnelling and drilling work, Silvercorp also plans to complete and expense 25,800 metres of mining preparation tunnels and 71,400 metres of diamond drilling at the Ying Mining District, representing decreases of 22% and 43%, respectively, compared to the results in Fiscal 2023.

The GC Mine plans to: i) complete and capitalise 14,700 metres of exploration and development tunnels at estimated capital expenditures of US\$6.4 million, an increase of 16% in meterage and an increase of 60% in cost mainly due to increased tunnel dimension to allow small scale mechanized equipment access, compared to the expected results in Fiscal 2023; ii) complete and capitalise 30,200 metres of diamond drilling to upgrade and explore mineral resources for future production at an estimated cost of US\$0.8 million, representing a 37% increase in meterage and a relatively the same cost compared to the results in Fiscal 2023; and iii) spend US\$0.7 million on equipment and facilities. The total capital expenditures at the GC Mine are budgeted at US\$7.9 million in Fiscal 2024, down 38% compared to US\$12.7 million in Fiscal 2023. In addition to the capitalised tunnelling and drilling work, Silvercorp also plans to complete and expense 5,300 metres of tunnels and 24,800 metres of underground drilling at the GC Mine, representing decreases of 25% and 43%, respectively, compared to the expected results in Fiscal 2023.

The following table summarises the development work and capitalised expenditures for the six months ended 30 September 2023 compared to the above Fiscal 2024 guidance.

	Capitalized Development and Expenditures								Expensed	
	Ramp Development		Exploration and Development Tunnels		Drilling		Equipment & Mill and TSF		Mining Preparation Tunnels	Drilling
	(Metres)	(\$ Thousand)	(Metres)	(\$ Thousand)	(Metres)	(\$ Thousand)	(\$ Thousand)	(\$ Thousand)	(Metres)	(Metres)
Six months ended September 30, 2023										
Ying Mining District	5,756	\$ 4,205	39,550	\$ 15,243	73,693	\$ 2,632	5,696	\$ 27,776	17,903	48,905
GC Mine	-	195	5,690	1,722	13,708	938	193	3,048	4,463	24,477
Corporate and other	-	-	-	-	-	127	23	150	-	-
Consolidated	5,756	\$ 4,400	45,240	\$ 16,965	87,401	\$ 3,697	\$ 5,912	\$ 30,974	22,366	73,382
Fiscal 2024 Guidance										
Ying Mining District	8,800	6,300	57,200	23,900	146,400	4,200	21,800	56,200	25,800	71,400
GC Mine	-	-	14,700	6,400	30,200	800	700	7,900	5,300	24,800
Corporate and other	-	-	-	-	-	-	600	600	-	-
Consolidated	8,800	\$ 6,300	71,900	\$ 30,300	176,600	\$ 5,000	\$ 23,100	\$ 64,700	31,100	96,200
Percentage of Fiscal 2024 Guidance										
Ying Mining District	65%	67%	69%	64%	50%	63%	26%	49%	69%	68%
GC Mine	-	-	39%	27%	45%	117%	28%	39%	84%	99%
Corporate and other	-	-	-	-	0%	0%	4%	25%	-	-
Consolidated	65%	70%	63%	56%	49%	74%	26%	48%	72%	76%

(c) Kuanping Project

Activities at the Kuanping Project in Fiscal 2024 have been focused on completing studies and reports as required to construct the mine. As of 30 September 2023, the Company has completed studies on environmental, water, and soil assessments, and all these reports have been submitted to and approved by the relevant provincial authorities. An updated mineral resources estimate report prepared as per Chinese standards is currently under review by the relevant provincial authorities. Silvercorp is also in the process of preparing a report, incorporating the mineral resources development and utilisation plan, reclamation plan, and environmental rehabilitation plan, to be submitted to the relevant provincial authorities before the commencement to construct the mine.

4.10 Litigation

No member of the Silvercorp Group is currently involved in any material litigation.

4.11 Transactions with related parties

Silvercorp is a party to services and administrative costs reallocation agreements with New Pacific Metals and Tincorp Metals, in each of which Silvercorp holds a material interest (27.4% and 29.3% respectively).

Silvercorp recovers costs for services rendered to New Pacific Metals and expenses incurred on behalf of New Pacific Metals pursuant to a services and administrative costs reallocation agreement. During the fiscal year ended 31 March 2023, Silvercorp recovered US\$1.0 million (fiscal year ended 31 March 2022 - US\$0.7 million) from New Pacific Metals for services rendered and expenses incurred on behalf of New Pacific Metals. During the three and six

months ended 30 September 2023, Silvercorp recovered US\$0.2 million and \$0.5 million (three and six months ended 30 September 2022 - US\$0.2 million and US\$0.3 million) from New Pacific Metals for services rendered and expenses incurred on behalf of New Pacific Metals.

Silvercorp recovers costs for services rendered to Tincorp Metals and expenses incurred on behalf of Tincorp Metals pursuant to a services and administrative costs reallocation agreement. During the fiscal year ended 31 March 2023, Silvercorp recovered US\$0.2 million (fiscal year ended 31 March 2022 - US\$0.2 million) from Tincorp Metals for services rendered and expenses incurred on behalf of Tincorp Metals. During the three and six months ended 30 September 2023, Silvercorp recovered US\$0.05 million and US\$0.13 million (three and six months ended 30 September 2022 - US\$0.04 million and US\$0.10 million) from Tincorp Metals for services rendered and expenses incurred on behalf of Tincorp Metals. [On 8 January 2024, Silvercorp entered into a credit facility agreement with Tincorp Metals to grant a right to Tincorp Metals to draw down up to US\\$1.0 million from Silvercorp. The credit facility agreement has a maturity date of 31 January 2025 and Silvercorp will receive 350,000 common shares of Tincorp Metals in consideration for granting this credit facility.](#)

4.12 Publicly available information about Silvercorp

Additional information on Silvercorp can be found on Silvercorp's website www.silvercorpmetals.com or on SEDAR+ website www.sedarplus.ca. Additional information, including directors' and officers' remuneration and indebtedness, principal holders of Silvercorp's securities and securities authorised for issuance under equity compensation plans, if applicable, is contained in Silvercorp's information circular for its most recent annual meeting of shareholders that involved the election of directors. Additional information is provided in Silvercorp's most recent financial statements and the management's discussion and analysis for its most recently completed financial year.

Silvercorp is subject to the continuous disclosure requirements of TSX and the NYSE American, the various securities commissions and regulatory authorities in the provinces and territories of Canada and the United States Securities Exchange Commission. Silvercorp's continuous disclosure filings are reflected on the following websites:

Name of Website	Information Field
www.sedarplus.ca	Includes but is not limited to interim and annual financial statements and corresponding management discussions and analysis; annual information forms; notices of meeting and record dates; management proxy materials including management information circulars; change of auditor filings; material change reports and other material documents; news releases; certifications of filings; technical reports; business acquisition reports; and codes of conduct
www.sec.gov/edgar.shtml	Annual reports and current reports
www.sedi.ca	Insider reports

5 Information about Silvercorp Shares

5.1 Capital structure

As at the date of this Bidder's Statement, Silvercorp has an authorised capital of an unlimited number of Silvercorp Shares without par value, of which ~~177,036,364~~177,048,198 Silvercorp Shares were issued and outstanding as at the date of this Bidder's Statement. A further ~~1,393,334~~1,388,334 Silvercorp Shares have been reserved for issuance upon the due and proper exercise of certain incentive options (**Silvercorp Options**) and ~~2,547,165~~2,519,581 restricted share units (**Silvercorp RSUs**) outstanding as at the date of this Bidder's Statement.

Security	Number
Silvercorp Shares issued and outstanding	177,036,364 177,048,198
Shares issuable upon exercise of Silvercorp Options	1,393,334 1,388,334
Shares issuable upon vesting of Silvercorp RSUs	2,547,165 2,519,581
Silvercorp fully diluted outstanding shares	180,976,863 180,956,113

As at the date of this Bidder's Statement, as far as Silvercorp is aware, there is no substantial holder of Silvercorp that holds 5% or more Silvercorp Shares.

On 15 September 2023, Silvercorp announced a normal course issuer bid to acquire up to 8,487,191 common shares of Silvercorp (representing approximately 4.8% of the Silvercorp Shares on issue as at the Date of this Bidder's Statement) (**Silvercorp Share Repurchase Program**). The repurchase program runs from 19 September 2023 to 18 September 2024. Purchases under the Silvercorp Share Repurchase Program will be made at the discretion of the Silvercorp Directors at prevailing market prices, through the facilities of the TSX, the NYSE American, and alternative trading systems in Canada and the United States, in compliance with regulatory requirements. Silvercorp intends to cancel all Silvercorp Shares acquired under the Silvercorp Share Repurchase Program. The price Silvercorp will pay for the common shares repurchased will be the market price at the time of purchase.

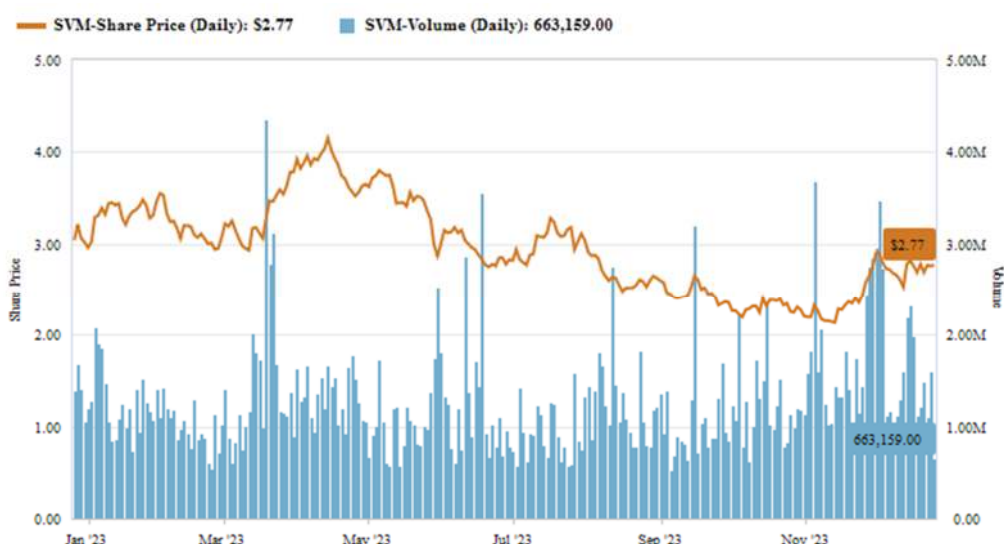
5.2 Recent Silvercorp share price performance

Silvercorp Shares are quoted on the TSX and the NYSE American under the code 'SVM'.

The closing price of Silvercorp Shares on the TSX/NYSE American on the date of ~~this the original~~ [Bidder's Statement/Offer] (Sydney time, being after market close on ~~22 December 2023~~ / ~~26 December 2023~~) (on the TSX) and ~~26 December 2023~~ (on NYSE American) Eastern Standard Time) was C\$~~3.68~~ / US\$~~2.77~~.

The highest closing price of Silvercorp Shares on the NYSE American in the 3 months prior to the date of ~~this the original~~ [Bidder's Statement/Offer] (Sydney time, being after market close on ~~26 December 2023~~ Eastern Standard Time) was US\$2.90. The lowest closing price of Silvercorp Shares on the NYSE American in the 3 months prior to the date of ~~this the original~~ [Bidder's Statement/Offer] (Sydney time, being after market close on ~~26 December 2023~~ Eastern Standard Time) was US\$2.13.

The highest closing price of Silvercorp Shares on the NYSE American in the 12 months prior to the date of ~~this the original~~ [Bidder's Statement/Offer] (Sydney time, being after market close on ~~26 December 2023~~ Eastern Standard Time) was US\$4.15. The lowest closing price of Silvercorp Shares on the NYSE American in the 12 months prior to the date of ~~this the original~~ [Bidder's Statement/Offer] (Sydney time, being after market close on ~~26 December 2023~~ Eastern Standard Time) was US\$2.13.



The current price of Silvercorp Shares on the TSX/ NYSE American can be obtained at:

- <https://www.tsx.com/>; and
- <https://www.nasdaq.com/>.

5.3 Dividend history and policy

Silvercorp declared its first annual dividend of CAD\$0.05 per share in calendar year 2007 (fiscal year 2008) and has declared and paid dividends as set out in the table below.

Fiscal Year ended 31 March	Dividends declared per Silvercorp Share
2018	US\$0.020
2019	US\$0.025
2020	US\$0.025
2021	US\$0.025
2022	US\$0.025
2023	US\$0.025

Since fiscal year ended 31 March 2019, Silvercorp has been paying semi-annual dividends of US\$0.0125 per share (US\$0.025 per share on an annual basis). On 9 November 2023, Silvercorp declared a semi-annual (for fiscal year 2024) dividend of US\$0.0125 per Silvercorp Share.

The declaration and payment of future dividends, if any, is at the discretion of the Silvercorp Board and will be based on a number of relevant factors including commodity prices, market conditions, financial results, cash flows from operations, and expected cash requirements.

5.4 Rights attaching to the Silvercorp Shares offered

Registered holders of Silvercorp Shares are entitled to receive notice of and attend all shareholder meetings of Silvercorp Shareholders and to one vote for each Silvercorp Share held. In addition, holders of Silvercorp Shares are entitled to receive on a pro rata basis dividends if, as and when declared by the Silvercorp Board and, upon liquidation, dissolution or winding-up, are entitled to receive on a pro rata basis Silvercorp's net assets after payment of debts and other liabilities, in each case subject to the rights, privileges, restrictions and conditions attaching to any other series or class of securities ranking in priority to, or equal with, the holders of the Silvercorp Shares. Any alteration of the rights attached to Silvercorp

Shares must be approved by at least two-thirds of the Silvercorp Shares voted at a meeting of Silvercorp Shareholders.

New Silvercorp Shares will be fully paid common shares in Silvercorp, being the equivalent of an 'ordinary' share in Australia. New Silvercorp Shares will be listed and traded on the TSX in C\$ and on the NYSE American in US\$. They will not be quoted or tradeable on ASX. Silvercorp continues to explore the possibility of being admitted to the official list of ASX, and if that occurs, holders of Silvercorp Shares will be able to convert their Silvercorp Shares into Silvercorp CDIs which will be tradeable on the ASX.

New Silvercorp Shares must be traded on the TSX and the NYSE American through a broker that is entitled to trade on the TSX or the NYSE American (as applicable). Not all Australian stockbrokers are able to trade securities on the TSX or the NYSE American. It is the responsibility of Silvercorp Shareholders to ensure that appropriate arrangements are in place if they wish to hold and trade New Silvercorp Shares.

Additional information about certain rights of shareholders under the Business Corporations Act is set out below:

Share capital

Under the Silvercorp Articles, Silvercorp is authorised to issue an unlimited number of common shares without par value. There is no minimum share capital prescribed by the Business Corporations Act.

Purchase of own shares

Under the Business Corporations Act and the Silvercorp Articles, Silvercorp may repurchase its shares provided that there are no reasonable grounds for believing that the company is insolvent or making the payment or providing the consideration would render the company insolvent.

Under Canadian law, a repurchase of its own shares by Silvercorp may constitute an "issuer bid" which must be effected in accordance with NI 62-104.

The TSX permits a company, subject to the filing of the required form of notice at least two clear trading days prior to any purchases under a bid, to conduct a "normal course" buy-back for that company's own shares for a period of up to one year. There are a number of restrictions with respect to the buy-back, including on the number of shares and price at which those shares are purchased. Any company that conducts a buy-back in this manner is required to issue a press release summarising the terms of the buy-back and the details of any similar purchases made, and is also required to report certain information concerning the buy-back to the TSX.

Transfer of shares

Under the Silvercorp Articles a transfer of Silvercorp Shares must not be registered where Silvercorp has not received:

- a duly signed instrument of transfer;
- if a share certificate has been issued by Silvercorp in respect of the shares to be transfer, that share certificate; or
- if a non-transferable written acknowledgement of the shareholder's right to obtain a share certificate has been issued by Silvercorp in respect of the share to be transferred, that acknowledgement.

Issue of new shares

Silvercorp Shares may be issued for such consideration as the Silvercorp Directors may determine subject to the Business Corporations Act, the rights of the holders of issued shares of Silvercorp, and the rules and policies of the TSX Company Manual.

Under the TSX Company Manual, Silvercorp requires the approval of the TSX to issue securities other than unlisted non-voting, non-participating securities. The TSX may impose conditions on a transaction or grant exemptions from its own requirements. The TSX will consider various factors, including the involvement of insiders of Silvercorp in the transaction, whether the transaction materially affects control of Silvercorp, Silvercorp's corporate governance practices, the size of the transaction relative to the liquidity of Silvercorp and whether a court or administrative body has considered the interests of the Silvercorp Shareholders.

The TSX will generally require Silvercorp Shareholder approval of any transaction that materially affects control of Silvercorp or provides consideration to insiders of Silvercorp that represents 10% or more of Silvercorp's market capitalisation (subject to certain conditions) during any six month period, and has not been negotiated at arm's length.

For distributions of listed securities in reliance on a prospectus exemption (known as private placements), the TSX may require Silvercorp Shareholder approval depending on the price at which the securities are being sold and the number being sold in relation to the number outstanding. If the price is below market and the number of securities of Silvercorp to be issued represents more than 25% of the number outstanding (on a non-diluted basis), Silvercorp Shareholder approval is required, while if the price is at or above market, Silvercorp Shareholder approval is generally not required regardless of the number of securities being issued. If the issuance is to be less than or equal to 25% of the number of securities outstanding, shareholder approval will not be required unless the price is below a permitted discount to market (which is 15% where the securities are trading above C\$2.00 each or 20% where the securities are trading between C\$0.51 and C\$2.00 each).

TSX-listed issuers must obtain shareholder approval when the number of securities issued in payment for an acquisition exceeds 25% of the number of issued and outstanding securities of the issuer on a non-diluted basis, whether the target being acquired is a private company or a reporting issuer.

In private placements to insiders of Silvercorp and acquisitions involving issuances of listed securities to insiders of Silvercorp, the TSX will require Silvercorp Shareholder approval depending on the number of securities issued in relation to the number outstanding. Specifically, if insiders of Silvercorp will be issued, by way of private placements during any six month period, or if insiders will receive, as consideration in an acquisition, securities or options, rights or other entitlements to listed securities representing more than 10% of the number of securities outstanding on a non-diluted basis, shareholder approval will be required and the insiders of Silvercorp may not vote their securities.

The TSX also requires shareholder approval of securities-based compensation arrangements, including any compensation or mechanism involving the potential issuance of securities from treasury.

The TSX prescribes specific disclosure requirements for the materials provided to Silvercorp Shareholders for the purposes of such approval, including all material information that shareholders may reasonably require to approve the arrangements. Certain substantive requirements are imposed that must be complied with: exercise prices for any stock options granted under a security based compensation arrangement may not be lower than market price of the securities at the time the stock options are granted; there must be a maximum number or percentage of securities issuable; and most amendments also require shareholder approval.

Variation of class rights

Under the Business Corporations Act and the Silvercorp Articles, rights attaching to a class of shares may only be varied by a special resolution of all shareholders.

Protection of minority shareholders

Under the Business Corporations Act, a shareholder, defined to include a beneficial shareholder and any other person whom the court considers to be an appropriate person, may seek a remedy for “oppressive” or “unfairly prejudicial” conduct of Silvercorp. The applicant must bring the application in a timely manner.

A Silvercorp Shareholder or Silvercorp Director, may also, with leave of the court, bring a legal proceeding in the name and on behalf of Silvercorp to enforce a right or obligation owed to Silvercorp that could be enforced by Silvercorp itself, or to obtain damages for any breach of such a right or obligation. An applicant may also, with leave of the court, defend a legal proceeding brought against Silvercorp.

The Business Corporations Act further provides that if a company or any director, officer, shareholder, employee, agent, auditor, trustee, receiver, receiver manager or liquidator of a company contravenes or is about to contravene a provision of the Business Corporations Act or the regulations or the articles of the company, a complainant, defined as a shareholder or any other person that the court considers appropriate, may, in addition to any other rights that that person might have, apply to the court for an order that the person who has contravened or is about to contravene the provision comply with or refrain from contravening the provision.

The granting of leave is not automatic, but requires the court to exercise a judicial discretion. Generally, a court is likely to grant leave where the proposed action is in the shareholders’ interest unless the action appears likely to be dismissed, or is frivolous, scandalous or vexatious.

In addition to the above, Silvercorp Shareholders may bring claims against Silvercorp based on the general laws of contract, tort or other private laws applicable in Canada.

Payment of dividend and distribution

Under the Business Corporations Act, Silvercorp may pay a dividend by issuing fully paid shares or in property, including money. Silvercorp may not declare or pay a dividend if there are reasonable grounds for believing that Silvercorp is insolvent or the payment of the dividend would render Silvercorp insolvent.

Requirement of annual meetings; ability to call special meetings

Under the Business Corporations Act, Silvercorp must hold an annual general meeting of Silvercorp Shareholders at least once per calendar year and not more than 15 months after the last preceding annual meeting. The TSX Company Manual mandates that unless a listed issuer obtains a waiver, each listed issuer must hold its annual meeting of shareholders within 6 months from the end of its fiscal year, or at such earlier time as is required by applicable law.

The Business Corporations Act permits fully electronic meetings of shareholders. All Silvercorp Shareholders or proxyholders entitled to participate in a meeting of Silvercorp Shareholders may do so electronically if all Silvercorp Shareholders and proxyholders are “able to participate” in, including vote, at the meeting. Further, fully electronic meetings do not require a specified physical location to be named.

The Silvercorp Articles do not contain restrictions which would prevent the holding of fully electronic or hybrid shareholder meetings.

Under the Business Corporations Act and the Silvercorp Articles, the Silvercorp Board may call a special meeting of Silvercorp Shareholders at any time.

The Business Corporations Act further provides that one or more shareholders of a company holding not less than 5% of the issued voting shares of the company may give notice to the directors requiring them to call and hold a general meeting of shareholders for the purposes

stated in the requisition, which meeting must be held within 4 months, unless the directors are excused from doing so.

Notice of meeting

The Business Corporations Act requires that notice of a general meeting of Silvercorp Shareholders must be given to the directors and Silvercorp Shareholders entitled to vote at least 21 days before the date of the meeting. The record date must not precede the date on which the meeting is to be held by more than 2 months.

However NI 54-101 requires Silvercorp to provide, subject to certain exceptions, Silvercorp Shareholders with greater than 21 days' notice of a meeting of shareholders.

NI 54-101 also requires Silvercorp to set a record date for determining the registered Silvercorp Shareholders that are entitled to receive notice of a shareholder meeting that is at least 30 days and no more than 60 days prior to the date of the meeting (subject to certain exception), and to notify all depositories, applicable securities regulatory authorities and the TSX at least 25 days prior to the record date.

Notice of a meeting at which special business is to be transacted must state the nature of that business in sufficient detail to permit a shareholder to form a reasoned judgement on that business, as well as the text of any special resolution to be submitted to the meeting. In addition, Silvercorp is also required to provide, or make available to shareholders, any document to be approved in connection with the special business at the meeting.

The Silvercorp Articles provide that:

- at a meeting of Silvercorp Shareholders that is not an annual general meeting, all business is special business except business relating to the conduct of or voting at the meeting;
- at an annual general meeting, all business is special business except for the following:
 - the business relating to the conduct of or voting at the meeting;
 - consideration of any financial statements of Silvercorp presented to the meeting;
 - consideration of any reports of the directors or auditor;
 - the setting or changing of the number of directors;
 - the election or appointment of directors;
 - the appointment of an auditor;
 - business arising out of a report of the directors not requiring the passing of a special resolution or an exceptional resolution; and
 - any other business which, under these Articles or the Business Corporations Act, may be transacted at a meeting of shareholders without prior notice of the business being given to the shareholders.

Quorum requirement

The Silvercorp Articles provide that, subject to the special rights and restriction attached to the shares of any class or series of shares, the presence of two persons who are, or who represent by proxy, shareholders who, in the aggregate, hold at least 5% of the issued shares

entitled to be voted at such meeting will constitute quorum for the transaction of business at the meeting of Silvercorp Shareholders.

If, within 30 minutes from the time set for holding of a meeting of shareholders, a quorum is not present:

- in the case of a general meeting requisitioned by shareholders, the meeting is dissolved; and
- in the case of any other meeting of shareholders, the meeting stands adjourned to the same day in the next week at the same time and place.

If at an adjourned meeting quorum is not present within 30 minutes, the person or persons present and being, or representing by proxy, one or more shareholders entitled to attend and vote at the meeting constitute a quorum.

Voting requirement

Under the Business Corporations Act, certain extraordinary corporate actions, such as amalgamations, continuances, reorganisations and other extraordinary corporate actions such as liquidations (winding-ups) and arrangements, require approval of Silvercorp Shareholders by special resolution.

Under the Business Corporations Act, a resolution passed by a special majority at a general meeting for which proper notice has been provided constitutes a special resolution.

A special majority is a majority of votes, as specified by the Silvercorp Articles, that has at least two thirds of the votes cast on the resolution.

The Business Corporations Act and the Silvercorp Articles provide that a special majority of votes is required for Silvercorp to pass a special resolution at a meeting of Silvercorp Shareholders.

Unless the Business Corporations Act or the Silvercorp Articles require a special resolution, ordinary resolutions of Silvercorp Shareholders are passed by a simple majority of votes cast on the resolution.

Additionally, under the Business Corporations Act, a resolution consented to in writing by all of the Silvercorp Shareholders holding shares that carry the right to vote at general meetings constitutes a special resolution.

The Business Corporations Act provide that, unless the Silvercorp Articles provide otherwise, each Silvercorp Share entitles the holder to one vote at a meeting of Silvercorp Shareholders. Furthermore, the Business Corporations Act and the Silvercorp Articles state that voting is to be conducted by a show of hands, unless a poll is, before or on the declaration of the result of the vote by show of hands, is directed by the chair or demanded by at least one shareholder entitled to vote who is present in person or by proxy.

In accordance with the Silvercorp Articles and subject to the special rights and restrictions attached to any share and to certain restrictions imposed on voting by joint shareholders, on a show of hands, each holder of Silvercorp Shares present in person or by proxy and entitled to vote has one vote. If a poll is called, each holder of Silvercorp Shares present in person or by proxy will have one vote for each Silvercorp Share held.

The Business Corporations Act also provides that holders of shares of a class or a series are entitled to vote separately as a class or series on certain proposals to amend the Silvercorp Articles that affect the rights of such holders, whether or not such shares carry the right to vote.

The Silvercorp Articles allow the Silvercorp Board to specify in a notice calling a meeting of Silvercorp Shareholders any time, on, unless these Articles otherwise provide, at least the following number of days' notice before the meeting:

- if and for so long as the company is a public company, twenty-one days;
- otherwise, ten days.

Shareholders' rights to bring a resolution before a meeting

The Business Corporations Act entitles a registered or beneficial holder of not less than 1% (or having a fair market value in excess of C\$2,000) of Silvercorp Shares eligible to be voted at its annual shareholder meeting to submit to Silvercorp notice of any matter that the person wishes to have considered at the next annual general meeting. If Silvercorp receives notice of a proposal at least three months prior to the anniversary of the previous year's annual reference date, and is soliciting proxies, Silvercorp must include details of the proposal in its information circular.

The Business Corporations Act provides for exemptions from the requirements to include a proposal in a company's information circular in certain circumstances, including where:

- it clearly appears that the primary purpose of the proposal is to secure publicity or to enforce a personal claim or redress a personal grievance against the company or its directors, officers or security holders;
- it clearly appears that the proposal does not relate in a significant way to the business or affairs of the company;
- substantially the same proposal failed to receive a certain amount of support at a prior meeting held not more than five years before the receipt of the proposal;
- the proposal has already been substantially implemented;
- the proposal, if implemented, would cause the company to commit an offence;
- the proposal deals with matters beyond the company's power to implement; or
- the proposal is invalid or exceeds the maximum length of 1,000 words.

Amendments to constitution

Under the Business Corporations Act and Silvercorp Articles, approval by special resolution of the shareholders is required to amend a company's articles.

Under the Business Corporations Act and the Silvercorp Articles, a special resolution must be passed by a majority of not less than two thirds of the votes cast by the shareholders entitled to vote on the resolution.

Management of the business of the Company

The Silvercorp Articles do not restrict the powers of the Silvercorp Board. Under the Business Corporations Act, the Silvercorp Board is to manage or supervise the management of the business and affairs of Silvercorp.

Number and election of directors

The Business Corporations Act and the Silvercorp Articles require a minimum of 3 directors. Currently, there are 5 Silvercorp Directors.

Unless appointed by the board to fill a vacancy or otherwise in accordance with the Business Corporations Act and the Silvercorp Articles, Silvercorp's directors are appointed at Silvercorp's annual general meeting to serve until the next annual general meeting or until such person otherwise ceases to hold office.

Removal of directors

Under the Business Corporations Act and the Silvercorp Articles, Silvercorp Shareholders may remove one or more directors by ordinary resolution.

Under the Silvercorp Articles, the directors may remove any director if the director is convicted of an indictable offence or if the director ceases to be qualified to act as a director and does not promptly resign.

Residency of directors

The Business Corporations Act does not prescribe any residency requirements for directors.

Remuneration of directors and officers

Under the Business Corporations Act, the directors of Silvercorp may fix the remuneration of the directors, officers and employees of the company. The Silvercorp Articles do not place any restrictions on the remuneration of Silvercorp's directors.

Under Canadian securities law, specific compensation disclosure, including with respect to compensation of the CEO, CFO and next three highest paid executives, is required to be included in the management proxy circular in connection with the annual meeting each year.

Retirement Benefits

Under the Business Corporations Act and the Silvercorp Articles:

- there are currently no restrictions on the quantum of retirement benefits that Silvercorp may pay to its directors or officers; and
- there is no requirement for shareholders of Silvercorp to approve the quantum of such retirement benefits (if any).

Release from liability and indemnification of directors and officers

Under the Business Corporations Act, a director is not liable for a resolution he or she voted in favour of if the director has relied in good faith on:

- financial statements of the company represented to the director by an officer of the company or in a written report of the auditor of the company to fairly reflect the financial position of the company;
- a written report of a lawyer, accountant, engineer, appraiser or other person whose profession lends credibility to a statement;
- a statement of fact represented to the director by an officer of the company to be correct; or
- any record, information or representation that the court considers provides reasonable grounds for the actions of the director, whether or not the record, information or representation was forged, fraudulently made or inaccurate.

Furthermore, a director is not liable for a resolution for which he or she voted in favour if he or she did not know and could not reasonably have known that the act done or authorised by the resolution was contrary to the Business Corporations Act.

Under the Business Corporations Act, a company may indemnify a past or present director or officer (an eligible party) against certain judgments, penalties or fines, or an amount paid in settlement of proceedings, relating to their actions as directors and officers of the corporation, unless prohibited by the articles or if, in relation to the subject proceedings, the eligible party did not act honestly and in good faith with a view to the best interests of the company and, in the case of criminal proceedings, did not have reasonable grounds for believing that the his or her conduct in respect of which the proceeding was brought was lawful.

A company must pay the net expenses of an eligible party, after the final disposition or settlement of the matter, if:

- the party was substantially successful on the merits, or
- the party was wholly successful on the merits or otherwise.

A company may pay the expenses of an eligible party in advance, provided that the party undertakes to repay the advances if it is later determined that the corporation is prohibited from paying such expenses.

Fiduciary Duties of Directors and Officers

Under the Business Corporations Act, each director and officer of Silvercorp, in exercising their powers and discharging their duties, must act honestly and in good faith with a view to the best interests of Silvercorp (commonly referred to as the 'duty of loyalty') and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances (commonly referred to as the 'duty of care').

Transactions involving directors, officers or other related parties

In Canada, MI 61-101 establishes disclosure, valuation, review and approval processes in connection with certain transactions where there is a potential for conflicts of interest because the transaction involves one or more interested or related parties who are parties to the transaction and have potential information or other advantages (for example, voting power through share ownership, or representation on the target company's board of directors), or are otherwise entitled to receive different consideration or other benefits under the terms of the transaction that are unavailable to the other shareholders of the target company. As a reporting issuer in Ontario listed on the TSX, Silvercorp is subject to the requirements of MI 61-101.

Depending on the nature of the transaction and subject to the availability of certain exemptions, MI 61-101 provides procedural protections to minority or disinterested shareholders in connection with transactions subject to MI 61-101. For example:

- the requirement for a valuation performed by a qualified and independent valuator in respect of the target company's securities which are the subject of the transaction;
- approval of a proposed transaction by a majority (50.1%) of the votes cast by the minority or disinterested shareholders at a shareholders' meeting and excluding shares held by the interested parties;
- formation of a special committee composed of independent directors who do not have a conflict of interest to supervise the preparation of a formal valuation; and/or
- additional prescribed disclosure in respect of the transaction.

The Business Corporations Act sets out the following requirements for a contract or transaction in which a director or officer has a competing interest or duty:

- disclosure of the nature and extent conflicting interest to the board;

- abstention from voting at the board level; and
- approval by directors or shareholders.

A court may order an accounting of profits where the first two criteria are not met if it finds that the material contract or transaction was not fair and reasonable.

Insider trading

Canadian law prohibits certain persons (including directors, officers and employees) from trading securities of a reporting issuer with knowledge of a material fact or material change with respect to a reporting issuer that has not been generally disclosed.

In addition, NI 55-102 establishes a mandatory system of electronic reporting of trading activity by certain insiders of each reporting issuer. Insiders generally have to report within five days following any trade in securities of the issuer. Insider reports are filed on www.sedi.ca.

Disclosure of substantial shareholdings

Canadian law includes concepts of “insider”, “acquirer”, and “control person” that trigger certain disclosures and restrictions.

A person is an “insider” if that person, among other things, is a director or officer of an issuer or a person that is itself an insider or a subsidiary of an issuer, or has:

- beneficial ownership of, or control or direction over, directly or indirectly, or
- a combination of beneficial ownership of, and control or direction over, directly or indirectly, 10% or more of the company’s outstanding voting securities.

In addition, within two business days of an acquirer acquiring beneficial ownership of, or control or direction over, securities that, together with the acquirer’s securities, constitute 10% or more of the outstanding voting or equity securities of the company, the acquirer must file an early warning report in the prescribed form with such Securities Commission(s).

Similar notification requirements apply in the event that a person’s holding increases or decreases by an amount equal to 2% or more of the company’s outstanding voting securities, or where a person ceases to hold 10% or more of the company’s outstanding voting securities.

A control person includes a person that holds a sufficient number of any of the securities of a company so as to affect materially the control of that company, or that holds more than 20% of the outstanding voting shares of the company. There are restrictions on trade by control persons, in addition to the disclosure requirements described above.

Takeovers requirements

Securities laws relating to formal take-over bids are harmonized across Canada under NI 62-104. Under NI 62-104, a take-over bid is an offer to acquire outstanding voting securities made to one or more securityholders where the securities subject to the offer, together with the securities beneficially owned, or over which control or direction is exercised on the date of the offer to acquire by the offeror (i.e. the person making the take-over bid) and any person acting jointly or in concert with the offeror, constitute 20% or more of the outstanding securities of that class at the date of the offer. An offeror proposing a take-over bid must comply with the technical procedural requirements (including those relating to determining beneficial ownership of securities and whether a person is acting jointly or in concert with an offeror) and disclosure requirements of the take-over bid rules unless an exemption is available from those requirements, all in accordance with NI 62-104.

Takeover defence mechanisms

NP 62-202 regulates the defensive tactics that may be employed by a target company in a take-over bid, and limits the ability of a target board to entrench itself to the detriment of shareholders. The primary objective of the relevant take-over bid provisions of Canadian law is the protection of the bona fide interests of shareholders of the target company. A secondary objective is to provide a regulatory framework within which take-over bids may proceed in an open and even-handed environment. The takeover bid provisions should favour neither the bidder nor the management of the target company and should leave the shareholders of the target company free to make a fully informed decision.

Canadian securities regulatory authorities:

- • consider that unrestricted auctions produce the most desirable results in takeover bids and are reluctant to interfere in contested bids;
- • appreciate that defensive tactics may be taken by a board of directors of a target company in a genuine attempt to obtain a better bid;
- • are prepared to take appropriate action if they become aware of defensive tactics that will likely result in shareholders being deprived of the ability to respond to a takeover bid or to a competing bid;
- • have determined that it is inappropriate to specify a code of conduct for directors of a target company in addition to the fiduciary standard required by corporate law; and
- • are prepared to examine target company tactics in specific cases to determine whether they are abusive of shareholder rights.

Notice of members rights to receive documents

There is no general requirement under Canadian law to canvass a shareholder's preference to receive documents.

Under Canadian law, a company may use Notice and Access for distribution of meeting materials. Notice and Access allows Silvercorp to send Silvercorp Shareholders paper copies of a notice of meeting and form of proxy or voting instruction form, while providing Silvercorp Shareholders access to electronic copies of the information circular over the internet or the option to receive paper copies of the information circular if they so request within the prescribed time periods.

Statutory rights of action for misrepresentations

Under Canadian law, purchasers of securities of a company can bring an action against various persons or companies including the issuer of securities, the underwriter, directors and officers of the issuer, and certain other persons or companies responsible for the issue of a prospectus in respect of damage suffered by reason of a misrepresentation therein. A similar right of action is available in some jurisdictions against certain persons or companies in respect of misrepresentations contained in other disclosure documents such as offering memoranda or takeover bid circulars.

Right to Inspect Corporate Books and Records

Under the Business Corporations Act, any person may examine certain of the corporate records of Silvercorp (including the securities register, articles, minutes of meetings and resolutions of shareholders) at Silvercorp's registered office or such other place where such records are kept during Silvercorp's usual business hours free of charge, and copies may be obtained for a fee.

Right to Inspect Register of Shareholders

Under the Business Corporations Act, any person may inspect Silvercorp's central securities register and/or apply to the company for a list setting out the names and last known addresses of the shareholders and the number of shares of each class or series of shares held by each of those shareholders.

Any person wishing to examine the list of shareholders must first make a request to the company, accompanied by an affidavit stating that the list will not be used except for certain purposes permitted under the Business Corporations Act.

Winding up

Under the Business Corporations Act, only solvent companies may engage in dissolution and liquidation proceedings. As a result, the directors of a company seeking to dissolve must adequately provide for the payment of each of the company's liabilities; if that is not possible, it may be necessary to proceed under insolvency legislation (such as the Bankruptcy and Insolvency Act). If a company is found to be "insolvent" for the purposes of the Bankruptcy and Insolvency Act, any must be stayed. After the assets of a company have been liquidated and distributed under the Bankruptcy and Insolvency Act or the Winding-up and Restructuring Act, the company will still exist, and can only be dissolved by action taken in accordance with the procedures of the Business Corporations Act.

To voluntarily dissolve a company under the Business Corporations Act that has been properly authorized to do so, a company must provide to its records office an affidavit, sworn by a director of the company, which states that: (i) the dissolution was duly authorised by an ordinary resolution of the shareholders or it has not issued any shares, and has the authorization of the directors; (ii) the company has no assets; and (iii) the company has no liabilities or has made adequate provision for the payment of each of its liabilities.

Proceedings may be continued against a company after its dissolution or brought against a company within two years after its dissolution as if the company had not been dissolved. When assets of the company are distributed to a shareholder in anticipation of, during, or as a result of the company's liquidation or dissolution, the court may add the shareholder as a party to litigation, determine the amount for which the shareholder is liable and the amount the shareholder must contribute to satisfy the plaintiff's claim and direct payment of those amounts, provided that the shareholder is not liable unless added as a party within two years after the date of dissolution. The shareholder's liability is limited to the value of the assets they received, as at the date of distribution.

The Silvercorp Articles do not impose any restrictions on winding-up.

Disclosure

Silvercorp is subject to regular reporting and disclosure obligations under Canadian law.

Silvercorp's annual reporting obligations include requirements to prepare and file annual and interim financial statements, as well as an annual information form and management information circular.

In addition, Silvercorp has certain periodic or special event reporting obligations under Canadian law, for instance, if a material change occurs, Silvercorp must immediately issue and file a news release disclosing the nature and substance of the material change, and as soon as practicable, and in any event within 10 days of the date on which a material change occurs, prepare and file a material change report.

The TSX Company Manual requires timely disclosure of material information, which TSX considers broader than a "material change". The TSX Company Manual also requires a company to keep TSX fully informed of both routine and unusual events and decisions affecting its security holders.

Silvercorp's financial statements and accompanying management and discussion and analysis, annual information form, management information circular and news releases are available on Silvercorp's corporate profile on SEDAR+ at www.sedarplus.ca.

Financial statements

Silvercorp is required to file audited annual financial statements and accompanying management discussions and analysis within 90 days of the most recently completed financial year end and interim (three month) financial statements and accompanying management discussions and analysis within 45 days of the end of the interim period.

5.5 Silvercorp incentive and equity plan

Silvercorp has an Omnibus Plan (**Omnibus Plan**) which has been established to attract and retain directors, officers, employees and consultants to Silvercorp, and to provide incentives for them to advance the interests of Silvercorp by affording them with the opportunity to acquire an equity interest in Silvercorp.

The Omnibus Plan is administered by the Silvercorp Board and Silvercorp's Compensation Committee. The following is a description of the key terms of the Omnibus Plan, which is qualified in its entirety by reference to the full text of the Omnibus Plan.

Awards

- *Type of Awards* – Silvercorp Options, Silvercorp RSUs and performance share units (**Silvercorp PSUs**) may be granted under the plan (**Awards**). As at the date of this Bidder's Statement, Silvercorp does not have any Silvercorp PSUs on issue.
- *Maximum number of shares issuable* – The maximum number of Silvercorp Shares issuable under the Omnibus Plan, together with the number of Silvercorp Shares issuable under any other security-based compensation arrangements of Silvercorp, shall not in the aggregate exceed 10% of the issued and outstanding shares of Silvercorp, from time to time (the **Outstanding Issue**).
- *Plan Limits* – When combined with all of Silvercorp's other security-based compensation arrangements, the Omnibus Plan shall not result in:
 - the *number* of Silvercorp Shares issuable to any one person at any time exceeding 5% of the Outstanding Issue;
 - the number of Silvercorp Shares (i) issued to Insiders (as defined in the Omnibus Plan) within a one-year period, and (ii) issuable to Insiders at any time, exceeding 10% of the Outstanding Issue;
 - the issuance to any one Insider and such Insider's associates, within any one-year period, exceeding 5% of the Outstanding Issue;
 - the issuance to consultants of Silvercorp of a number of Silvercorp Shares exceeding 2% of the Outstanding Issue; or
 - a number of Silvercorp Shares issuable to any one non-executive directors within a one-year period exceeding an award value of \$150,000 per such non-executive director, of which no more than \$100,000 may comprise Silvercorp Options based on a generally accepted valuation method acceptable to the Silvercorp Board.

Silvercorp Options

- *Terms and Exercise Price* – The number of Silvercorp Shares subject to each Silvercorp Option grant, the exercise price, vesting, expiry date and other terms and conditions thereof will be determined by the Silvercorp Board. The exercise price of each Silvercorp Option shall in no event be lower than the closing price of the Silvercorp Shares on the TSX (the **Market Price**) on the grant date.
- *Term* – Unless otherwise specified at the time of grant, Silvercorp Options shall expire 10 years from the date of grant, unless terminated earlier in accordance with the Omnibus Plan.
- *Vesting Schedule* – Unless otherwise specified at the time of grant, Silvercorp Options vest and become exercisable in 25% increments on each of the 6 month, 12 month, 18 month, and 24 month anniversaries from the grant date.
- *Exercise of Silvercorp Options* – A person with Awards granted pursuant to the Omnibus Plan (**Participant**) may exercise vested Silvercorp Options by (i) payment of the exercise price per Share subject to each Silvercorp Option, or (ii) if permitted by the Silvercorp Board, by undertaking a cashless exercise with the assistance of a broker (which may include authorising the broker to sell Silvercorp Shares on the open market by means of a short sale and forward the proceeds of such short sale to Silvercorp to satisfy the exercise price and any applicable tax withholdings), or (iii) if permitted by the Silvercorp Board, on a cashless basis by receiving that number of Silvercorp Shares equal to the current market price of Silvercorp Shares less the exercise price multiplied by the number of Silvercorp Options exercised as the numerator, divided by the current market price of Silvercorp Shares, as the denominator.
- *Termination of employment* – If a Participant ceases to be a director, officer, employee or consultant of Silvercorp for any reason other than death, such director, officer, consultant or employee of Silvercorp shall have such rights to exercise any vested Silvercorp Options not exercised prior to such termination within the lesser of a period of 90 calendar days after the date of termination, or the expiry date of the Silvercorp Option, or such shorter period as may be set out in the Participant's Option Award Agreement.
- *Death* – If a Participant dies prior to the expiry of his Silvercorp Option, his legal representatives may, within the lesser of one year from the date of the Participant's death or the expiry date of the Silvercorp Option, exercise that portion of all vested Silvercorp Options granted to the director, officer, employee or consultant of Silvercorp under the Omnibus Plan which remains outstanding.

Restricted Share Units and Performance Share Units

- *Terms* – Silvercorp RSUs and Silvercorp PSUs are notional securities that entitle the recipient to receive cash or Silvercorp Shares at the end of a vesting period. The terms applicable to Silvercorp RSUs and Silvercorp PSUs under the Omnibus Plan (including the vesting schedule, performance cycle, performance criteria for vesting and whether dividend equivalents will be credited to a Participant's account) are determined by the Silvercorp Board at the time of the grant.
- *Vesting* – Unless otherwise provided, Silvercorp RSUs typically vest on the second anniversary of the date the Silvercorp RSU was granted and shall be settled in accordance with the settlement provisions described below. Unless otherwise noted, Silvercorp PSUs shall vest as at the date that is the end of their specified performance cycle, subject to any performance criteria having been satisfied and shall be settled in accordance with the settlement provisions described below. Vesting of Silvercorp PSUs is contingent upon achieving certain performance criteria.
- *Settlement* – On settlement, Silvercorp shall, for each vested Silvercorp RSU or Silvercorp PSU being settled, deliver to a Participant either (a) one Silvercorp Share, (b) a cash payment equal to the market price of one Silvercorp Share as of the

vesting date, or (c) any combination of cash and Silvercorp Shares equal to the market price of one Silvercorp Share as of the vesting date, at the discretion of the Silvercorp Board.

- *Dividend Equivalents* – As dividends are declared, additional Silvercorp RSUs and Silvercorp PSUs may be credited to a Participant in an amount equal to the greatest whole number which may be obtained by dividing (i) the value of such dividend or distribution on the payment date therefore by (ii) the market price of one Silvercorp Share on such date.
- *Termination of Employment* – If a director, officer, consultant or employee of Silvercorp ceases to be so engaged by Silvercorp for any reason other than death, all outstanding Silvercorp RSUs and Silvercorp PSUs that were vested on or before the date of the termination of employment or services of such Participant shall be settled in accordance with the applicable settlement provisions of the Omnibus Plan as of the date of termination, after which time the Silvercorp RSUs and Silvercorp PSUs shall in all respects terminate.
- *Death* – If a Participant dies, all outstanding Silvercorp RSUs and Silvercorp PSUs that were vested on or before the date of the date of death such Participant shall be settled in accordance with the applicable settlement provisions of the Omnibus Plan as of the date of death. Outstanding Silvercorp RSUs that were not vested on or before the date of death shall vest and be settled in accordance applicable settlement provisions of the Omnibus Plan as of the date of death, prorated to reflect the actual period between the grant date of the Silvercorp RSU and the date of death. Outstanding Silvercorp PSUs that were not vested on or before the date of death shall vest and be settled in accordance with the applicable settlement provisions of the Omnibus Plan as of the date of death, prorated to reflect the actual period between the commencement of the performance cycle and the date of death, based on the performance criteria for the applicable performance period(s) up to the date of death. Subject to the foregoing, any remaining Silvercorp RSUs and Silvercorp PSUs shall in all respects terminate as of the date of death.

General

- *Assignment* – Except as may otherwise be specifically determined by the Silvercorp Board with respect to a particular Award, Awards granted under the Omnibus Plan are non-assignable and non-transferable other than by will or by the laws of descent and distribution.
- *Change of Control* – In the event of a Change of Control (as defined in the Omnibus Plan), all unvested Awards then outstanding will, as applicable, be substituted by or replaced with awards of the surviving corporation (or any affiliate thereof) or the potential successor (or any affiliate thereto) (the “continuing entity”) on the same terms and conditions as the original Awards, subject to appropriate adjustments that do not diminish the value of the original Awards. If, upon a Change of Control, the continuing entity fails to comply with this requirement, the vesting of all then outstanding Awards (and, if applicable, the time during which such Awards may be exercised) will be accelerated in full. Additionally, in the event of a potential Change of Control, the Silvercorp Board will have the power, in its sole discretion, to modify the terms of the Omnibus Plan and/or the Awards to assist the Participants in tendering to a take-over bid or other transaction leading to a Change of Control (including to accelerate the vesting of Awards and to permit Participants to conditionally exercise their Awards).
- *Amendments Not Requiring Shareholder Approval* – The Silvercorp Board may amend the Omnibus Plan or Awards at any time, provided, however, that no such amendment may adversely affect any Award previously granted to a Participant without the consent of the Participant, except to the extent *required* by applicable law (including TSX requirements). Any such amendment will be subject to all necessary regulatory approvals.

- *Amendments Requiring Shareholder Approval* – Shareholder approval (or disinterested shareholder approval, if required by the policies of the TSX) will be required for the following types of amendments:
 - an increase in the number of Shares issuable under Awards granted pursuant to the Omnibus Plan;
 - a reduction in the exercise price of a Silvercorp Option, or a cancellation and reissuance of a Silvercorp Option;
 - an extension of (i) the term of a Silvercorp Option beyond its original expiry date, or (ii) the date on which a Silvercorp PSU or Silvercorp RSU will be forfeited or terminated in accordance with its terms, other than in accordance with the Omnibus Plan;
 - a revision to the assignment provisions to permit Awards granted under the Plan to be transferable or assignable other than for estate settlement purposes;
 - a revision to the insider participation limits or the non-executive director limits;
 - a revision to the amending provisions; or
 - any amendment required to be approved by shareholders of Silvercorp under applicable law (including without limitation, pursuant to the policies of the TSX).
- *Black Out Periods* – If the expiry date or vesting date of an Award falls (other than a Silvercorp PSU or Silvercorp RSU awarded to a Canadian resident) is (i) during a self-imposed blackout period imposed under any insider trading policy or similar policy of Silvercorp (a Blackout Period), or (ii) within two business days following the end of a Blackout Period, the expiry date or vesting date, as applicable, will be automatically extended for a period of ten business day after the earlier of the end of such Blackout Period, or, provided the Blackout Period has ended, the expiry date or vesting date of such Award. In the case of a Silvercorp RSU or Silvercorp PSU awarded to a Canadian resident, any settlement that is effected during a Blackout Period shall be settled in cash, notwithstanding any other provision of the Omnibus Plan.

6 Information on OreCorp

6.1 Disclaimer

The following information on OreCorp has been prepared based on a review of publicly available and limited non-public information and should not be considered comprehensive. Subject to the Corporations Act, none of the Silvercorp, Silvercorp Board, nor any member of Silvercorp Group or their respective officers or employees make any representation or warranty (express or implied) as to the accuracy or completeness of this information (including but not limited to Mineral Resource and Ore Reserve statements) and such information has not been independently verified.

Further information relating to OreCorp Group's business may be included in OreCorp's target statement which OreCorp must provide to OreCorp Shareholders in response to this Bidder's Statement.

6.2 Overview

OreCorp is a Western Australian based mineral development company which has been listed on the ASX under the code "ORR" since 2013.

OreCorp's key project is the multi-million ounce Nyanzaga Project in northwest Tanzania.

The Special Mining Licence (**SML**) for the Project was granted to SMCL on 13 December 2021 to SMCL. SMCL is a joint venture company in which OreCorp holds an 84% interest through its wholly-owned subsidiary, NMCL and the Treasury Registrar of the Tanzanian Government holds a 16% free carried interest in accordance with the Tanzanian Mining Act.

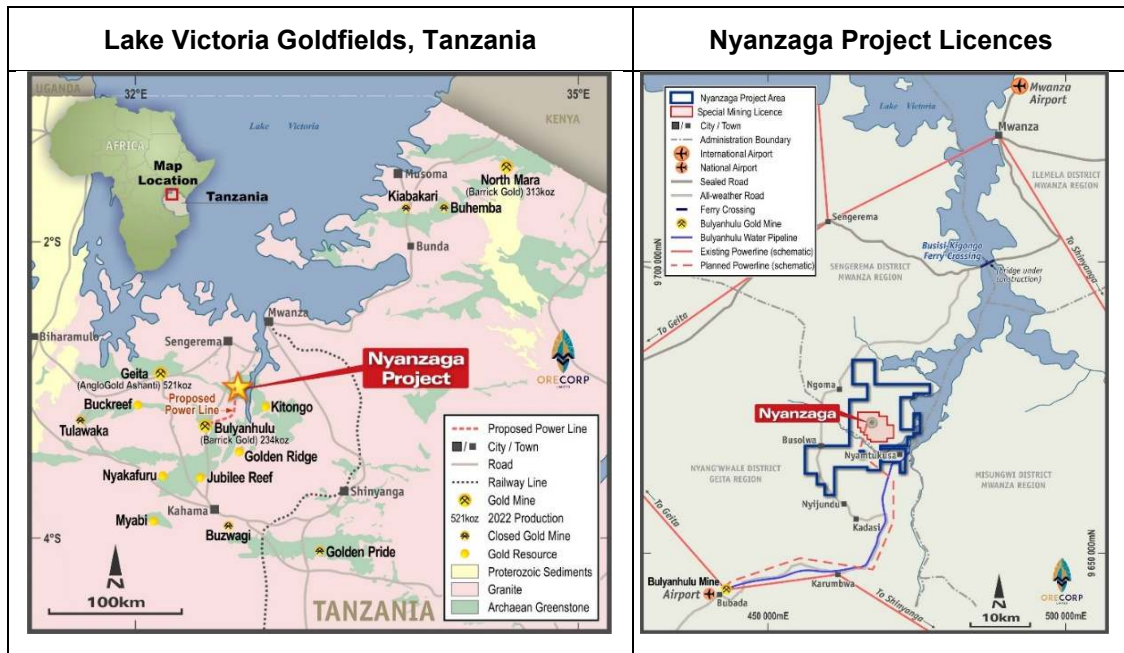
Further information on OreCorp can be obtained from OreCorp's website at www.orecorp.com.au.

6.3 Key business operations

Nyanzaga Project Overview

The Nyanzaga Project is located in prime real estate within the Archean Greenstones of the Lake Victoria Goldfields, northwest Tanzanian (refer below). The Project comprises SML 653/2021 (23.4km²) and other surrounding prospecting licences and applications covering an additional 164km² (refer below).

Nyanzaga is within the Sengerema District of the Mwanza Region and is accessed from Mwanza (Tanzania's second largest city) via the sealed Mwanza-Geita Highway, crossing Smith Sound by ferry at Busisi, then turning southwest to Ngoma Village, refer below. A bridge crossing Smith Sound is currently under construction and due for completion in 2024 which will significantly improve access to the Project.



Geology and Mineral Resource Estimate

The Nyanzaga and Kilimani Mineral Resource Estimates (**MRE**) were reported by OreCorp in September 2017¹⁵ and May 2022¹⁶, respectively and included drilling undertaken by OreCorp, as well as historical drilling since the early 1990's.

The MRE for the Nyanzaga deposit is reported at a cut-off grade of 1.5 g/t gold and is classified in accordance with the JORC Code, as reported in the table below.

OreCorp Limited – Nyanzaga Deposit, Nyanzaga Project Mineral Resource Estimate as of 12 September 2017			
Classification	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (Moz)
Measured	4.63	4.96	0.738
Indicated	16.17	3.80	1.977
Sub-Total M & I	20.80	4.06	2.715
Inferred	2.90	3.84	0.358
Total	23.70	4.03	3.072
Reported at a 1.5g/t gold cut-off grade. MRE defined by 3D wireframe interpretation with sub cell block modelling. Gold grade for lower grade sedimentary cycle hosted resources estimated using Uniform Conditioning using a 2.5m x 2.5m x 2.5m SMU. Totals may not add up due to appropriate rounding of the MRE. Assuming gold price of US\$1,250.			

The MRE for Kilimani is reported at a cut-off grade of 0.4 g/t Au and is classified in accordance with the JORC Code, as shown in the table below.

¹⁵ OreCorp ASX announcement dated 12 September 2017 (“*MRE Update for the Nyanzaga Project Increasing Category and Grade*”)

¹⁶ OreCorp ASX announcement dated 5 May 2022 (“*DFS Completion and Kilimani Mineral Resources Estimate Update*”)

Kilimani Gold Deposit, Nyanzaga Project Mineral Resource Estimate as of 2 May 2022			
Classification	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)
Indicated	3.4	1.09	119
Inferred	2.9	1.02	94
Total	6.3	1.06	213
Reported at a cut-off grade of 0.40 g/t Au and classified in accordance with the JORC Code MRE defined by 3D wireframe interpretation with sub-cell block modelling to honour volumes. Gold grade estimated using Ordinary Kriging using a 5 m x 5 m x 2 m parent cell. Totals may not add up due to appropriate rounding of the MRE (nearest 5,000 t and 1,000 oz Au). Reasonable prospects for eventual economic extraction supported by a conceptual pit optimisation generated using a gold price of US\$1,500.			

[Further information relating to the Nyanzaga Project may be included in OreCorp's target statement which OreCorp must provide to OreCorp Shareholders in response to this Bidder's Statement.](#)

6.4 Financial information of OreCorp

The historical information below has been taken from OreCorp's audited financial statements for the years ended 30 June 2023, 30 June 2022 and 30 June 2021. The full consolidated financial statements for the years ended 30 June 2023, 30 June 2022 and 30 June 2021 can be found in the corresponding annual reports that are available on ASX or on OreCorp's website.

The historical financial information set out in this section is intended to provide an overview of OreCorp's historical financial performance, position and cash flows, it shows the OreCorp Group on a standalone basis and, accordingly, does not reflect any impact of the Offer. The historical financial information is not intended to provide the level of detail or understanding which is available from a review of the OreCorp Group's published financial reports (which include the full financial accounts and the notes to those accounts) which are available on ASX or on OreCorp's website.

Further details on OreCorp's financial performance and financial statements for the year ended 30 June 2023 are set out in the 2023 Annual Report announced to the ASX on 25 September 2023.

(a) Historical consolidated statements of profit or loss

The historical information below has been taken from OreCorp's audited consolidated statements of profit or loss for the years ended 30 June 2023, 30 June 2022 and 30 June 2021.

	OreCorp consolidated		
	2021 A\$	2022 A\$	2023 A\$
Interest income	30,932	151,700	474,984
Foreign exchange (loss) / gain	(1,073,560)	465,469	(104,797)
Corporate and administration costs	(2,575,994)	(5,857,403)	(7,012,265)
Exploration and evaluation costs	(4,648,001)	(16,483,246)	(13,358,671)
Business development costs	(309,575)	(120,868)	-
Other income	230,978	-	-
Loss before tax from continuing operations	(8,345,220)	(21,844,348)	(20,000,749)
Income tax expense	-	-	-
Loss after tax from continuing operations	(8,345,220)	(21,844,348)	(20,000,749)

	OreCorp consolidated		
	2021	2022	2023
	A\$	A\$	A\$
Loss from discontinued operations	(890,088)	(5,008,469)	-
Loss for the year	(9,235,308)	(26,852,817)	(20,000,749)
Loss attributable to:			
- Members of the parent	(9,235,308)	(26,852,822)	(19,348,279)
- Non-controlling interest	-	5	(652,470)
	(9,235,308)	(26,852,817)	(20,000,749)

(b) Historical consolidated statements of financial position

The historical information below has been taken from OreCorp's audited consolidated statements of financial position for the years ended 30 June 2023, 30 June 2022 and 30 June 2021.

	OreCorp consolidated		
	2021 A\$	2022 A\$	2023 A\$
Current assets			
Cash and cash equivalents	66,302,250	31,853,665	13,462,027
Other current assets	413,624	266,078	633,659
Total current assets	66,715,874	32,119,743	14,095,686
Non-current assets			
Plant and equipment	267,468	602,906	631,885
Right of use assets	242,325	140,153	40,021
Exploration and evaluation assets	19,582,047	18,138,900	18,968,070
Total non-current assets	20,091,840	18,881,959	19,639,976
Total assets	86,807,714	51,001,702	33,735,662
Current liabilities			
Trade and other payables	12,165,810	1,757,573	2,850,777
Lease liabilities	105,752	115,629	43,159
Provisions	321,638	358,658	478,756
Total current liabilities	12,593,200	2,231,860	3,372,692
Non-current liabilities			
Lease liabilities	147,042	35,182	-
Provisions	17,106	32,429	59,410
Total non-current liabilities	164,148	67,611	59,410
Total liabilities	12,757,348	2,299,471	3,432,102
Net assets	74,050,366	48,702,231	30,303,560
Equity			
Issued capital	132,813,942	136,727,471	137,193,571
Reserves	(8,391)	1,692,013	2,485,485
Accumulated losses	(58,755,185)	(89,717,258)	(108,717,731)
Equity attributable to equity holders of the Company	74,050,366	48,702,226	30,961,325
Non-controlling interest	-	5	(657,765)
Total equity	74,050,366	48,702,231	30,303,560

(c) **Historical consolidated statements of cash flows**

The historical information below has been taken from OreCorp's audited consolidated statements of cash flow for the years ended 30 June 2023, 30 June 2022 and 30 June 2021.

	OreCorp consolidated		
	2021 A\$	2022 A\$	2023 A\$
Cashflows from operating activities			
Interest received	30,932	151,700	467,652
Receipt of government grants and other tax refunds	230,978	-	-
Interest and other costs of finance paid	-	(13,278)	(530,547)
Payments to suppliers and employees	(7,251,744)	(23,251,572)	(17,836,526)
Net cash outflow from operating activities	(6,989,834)	(23,113,150)	(17,899,421)
Cashflows from investing activities			
Purchase of property, plant and equipment	(216,008)	(746,298)	(311,080)
Purchase of WA exploration and evaluation assets	-	(118,311)	-
Final payment for the acquisition of Nyanzaga	-	(11,047,218)	-
Net cash outflow from the demerger of Solstice	-	(5,000,000)	-
Net cash outflow from investing activities	(216,008)	(16,911,827)	(311,080)
Cashflows from financing activities			
Proceeds from issue of shares	52,460,000	3,600,000	-
Proceeds from exercise of options	99,000	1,815,000	-
Payments for share issue transaction costs	(2,689,202)	(213,275)	-
Payment of principal portion of lease liabilities	(88,549)	(106,323)	(107,652)
Net cash inflow / (outflow) from financing activities	49,781,249	5,095,402	(107,652)
Net increase / (decrease) in cash and cash equivalents	42,575,407	(34,929,575)	(18,318,153)
Foreign exchange movement on cash and cash equivalents	(1,073,560)	480,990	(73,485)
Cash and cash equivalents at beginning of financial year	24,800,403	66,302,250	31,853,665
Cash and cash equivalents at end of financial year	66,302,250	31,853,665	13,462,027

6.5 Capital structure

(a) **OreCorp Shares**

As at the date of this Bidder's Statement and as at the date of the Offer, there are 469,408,892 OreCorp Shares on issue (of which Silvercorp holds 73,889,007).

(b) **OreCorp Options**

As at the date of this Bidder's Statement and as at the date of the Offer, OreCorp has 3,725,257 OreCorp Options on issue, comprising 2,575,257 OreCorp \$0.9906 Options and 1,150,000 OreCorp \$0.9066 Options. All of the OreCorp Options are vested and have an expiry date of 25 November 2024.

As noted in section 3.1, Silvercorp is not offering to acquire any OreCorp Options under the Offer. Instead, in accordance with the terms of the Bid Implementation Deed, Silvercorp has agreed to make an offer to each holder of OreCorp Options for the acquisition of their OreCorp Options in exchange for the Ascribed Value applicable to the relevant OreCorp Option. If any OreCorp Options are not acquired by Silvercorp, the Offer also extends to all OreCorp Shares that are issued between

the Register Date and the end of the Offer Period as a result of exercise of the OreCorp Options that exist on the Register Date.

(c) **OreCorp Performance Rights**

As at date of this Bidder's Statement and as at the date of the Offer, OreCorp has 4,012,106 OreCorp Performance Rights on issue, comprising 1,562,106 OreCorp Performance Rights with an expiry date of 22 November 2026 and 2,450,000 OreCorp Performance Rights with an expiry date of 26 August 2027.

The OreCorp Performance Rights that exist on the Register Date will vest upon the change of control event arising as a result of the Offer and be able to be exercised. As noted in section 3.1, the Offer also extends to all OreCorp Shares that are issued between the Register Date and the end of the Offer Period as a result of exercise of the OreCorp Performance Rights that exist on the Register Date.

6.6 OreCorp Board

As at the date of this Bidder's Statement, the members of the OreCorp Board are as follows:

- Matthew Yates — Executive Chairman
- Henk Diederichs — CEO & Managing Director
- Alastair Morrison — Non-Executive Director
- Michael Klessens — Non-Executive Director
- Michael Davis — Non-Executive Director

6.7 Current trading and outlook

The current price of OreCorp Shares on ASX can be obtained from the ASX website (www.asx.com.au).

6.8 Recent OreCorp share price performance

OreCorp Shares are listed on ASX under the trading symbol 'ORR'.

The last recorded closing price of OreCorp Shares on the ASX on 4 August 2023, being the last trading day prior to the announcement of the Scheme, was A\$0.435. The last recorded closing price for OreCorp Shares on the ASX on 22 December 2023, being the last trading day prior to the announcement of the Offer ~~and the date of this Bidder's Statement~~, was A\$0.510.

As at 22 December 2023, being the last trading day prior to the announcement of the Offer:

- the highest recorded closing price of OreCorp Shares in the previous 4 months was A\$0.535 per OreCorp Share on 18 September 2023; and
- the lowest recorded closing price of OreCorp Shares in the previous 4 months was A\$0.445 per OreCorp Share on 6 November 2023.

6.9 OreCorp Directors' interests in OreCorp securities

Based on publicly available information lodged with ASX, the OreCorp Directors and the number of OreCorp Shares, OreCorp Options and OreCorp Performance Rights held by or on behalf of each of them as at the date of this Bidder's Statement are set out below:

Name	OreCorp Shares	OreCorp Options	Consideration payable for acquisition of OreCorp Options (based on Ascribed Value)	OreCorp Performance Rights	Implied value of OreCorp Performance Rights ¹⁷
Matthew Yates	10,590,998	1,059,603 ¹⁸	\$21,192.06	1,060,208	\$618,331 \$570,235
Henk Diederichs	250,000	-	-	804,274	\$469,066 \$2,581
Alastair Morrison	5,137,597	250,000 ¹⁹	\$7,500	-	-
Michael Klessens	2,509,365	250,000 ²⁰	\$7,500	-	-
Michael Davis	-	-	-	-	-

6.10 Substantial shareholders of OreCorp

As at the date of this Bidder's Statement, the following persons had notified OreCorp that they had a Relevant Interest in 5% or more of OreCorp Shares on issue²¹:

Name	Number of OreCorp Shares	Percentage
Perseus Mining Limited	93,412,369	19.9%
Silvercorp Metals Inc	73,889,007	15.74%
Rollason Pty Ltd (Giorgetta Super Plan)	49,136,589	10.47%
Mutual Investments Pty Ltd	26,248,575	5.59%
Timothy R B Goyder	24,125,756	5.14%

6.11 Publicly available information about OreCorp

OreCorp is a disclosing entity for the purposes of the Corporations Act and is subject to periodic reporting and disclosure obligations under the Corporations Act and the ASX Listing Rules. These obligations require OreCorp to notify ASX of information about specified matters

¹⁷ Based on the Silvercorp Share's volumed weighted average market price of US\$2.41 in the ordinary course of trading during the two full trading days of 9 January 2024 and 10 January 2024 on the NYSE American ~~price of US\$[2.77] and the AUD:USD exchange rate of [1.468/1.495] as at 10 January 2024 the close of trading on NYSE American on [26 December 2023/1] (Eastern Standard Time).~~

¹⁸ OreCorp \$0.9906 Options

¹⁹ OreCorp \$0.9066 Options

²⁰ OreCorp \$0.9066 Options

²¹ Based on the substantial shareholders notices given to ASX and OreCorp.

and events as they arise for the purpose of ASX making that information available to participants in the market.

Once OreCorp becomes aware of any information concerning it which a reasonable person would expect to have a material effect on the price or value of an OreCorp Share, OreCorp must (subject to limited exceptions) immediately notify the ASX of that information. Additionally, ASIC maintains a record of documents OreCorp has lodged with it, which may be obtained or inspected at any office of ASIC.

Publicly disclosed information about all ASX-listed entities, including OreCorp, is available on the ASX website at <https://www.asx.com.au>. OreCorp's annual and interim reports and public announcements are also available on the OreCorp website at <https://www.orecorp.com.au/investor-centre>.

7 Silvercorp's intentions

7.1 Introduction

This section sets out Silvercorp's intentions, on the basis of the facts and information concerning OreCorp which are known to Silvercorp, and the existing circumstances affecting the business of OreCorp, in relation to the following:

- (a) the continuation of OreCorp's business and assets;
- (b) any major changes to be made to the business of OreCorp; and
- (c) the future employment of the present employees of OreCorp.

Those intentions have been formed on the basis of the facts and information regarding OreCorp, and the general business environment, which are known to Silvercorp at the time of preparation of this Bidder's Statement. Final decisions on these matters have not been made and will only be reached in the light of all material facts and circumstances at the relevant time, including once Silvercorp has had an opportunity to conduct a review of OreCorp's operations and assets following the close of the Offer, subject to the outcome of the Offer and Silvercorp's Relevant Interest in OreCorp. Accordingly, the statements set out in this section are statements of current intentions only, which may vary as new information becomes available or circumstances change.

The statements in this section 7 should be read in this context.

7.2 Intentions if Silvercorp acquires a Relevant Interest in 90% or more of OreCorp Shares

This section sets out Silvercorp's current intentions if it acquires a Relevant Interest in 90% or more of the OreCorp Shares.

(a) Compulsory acquisition

If during, or at the end of the Offer Period:

- (i) Silvercorp and its Associates collectively have Relevant Interests in at least 90% (by number) of the OreCorp Shares; and
- (ii) Silvercorp and its Associates have acquired at least 75% (by number) of the OreCorp Shares for which the Offers are made under the Offer,

Silvercorp will be entitled to compulsorily acquire all outstanding OreCorp Shares and presently intends to do so, by giving a notice pursuant to Part 6A.1 of the Corporations Act to compulsorily acquire all outstanding OreCorp Shares, even if the OreCorp Shares to which those notices relate are issued:

- (iii) after the Offer closes but before notices are given (pursuant to section 661A(4)(b) of the Corporations Act); or
- (iv) on exercise of OreCorp Options or OreCorp Performance Rights, up to 6 weeks after the notices are given (pursuant to section 661A(4)(c) of the Corporations Act).

If it is required to do so under section 662A and section 663A of the Corporations Act, Silvercorp intends to give notices to OreCorp Shareholders and holders of OreCorp Performance Rights and OreCorp Options offering to acquire their OreCorp Shares and OreCorp Performance Rights and OreCorp Options in accordance with section 662B and section 663B of the Corporations Act.

Following completion of such compulsory acquisition process, OreCorp would be a wholly-owned Subsidiary of Silvercorp and Silvercorp would be entitled to exercise its rights as the sole shareholder of OreCorp.

(b) Directors

Silvercorp intends to replace all members of the board of OreCorp and of any company in respect of which OreCorp has nominee directors with its own nominees, although Silvercorp reserves the right to allow individual directors to remain in office.

(c) ASX Listing

At the conclusion of the compulsory acquisition process, Silvercorp intends to arrange for OreCorp to be removed from the official list of the ASX.

As noted in the Scheme Booklet, Silvercorp had been consulting with ASX in relation to its proposed application to be admitted to the official list of the ASX. Silvercorp intends to continue to explore the possibility, and assess the benefits and costs, of being admitted to the official list of ASX. If that occurs, holders of Silvercorp Shares will be able to convert their Silvercorp Shares into Silvercorp CDIs which will be tradeable on the ASX. However, as at the date of this Bidder's Statement, it is unclear whether or when Silvercorp will submit its formal listing application to ASX and, if it does so, whether and when its application to be admitted to the official list of the ASX will be approved.

(d) Operating structure

Following the conclusion of the compulsory acquisition process, Silvercorp intends to undertake a review of the operating structure of the OreCorp Group which may result in Silvercorp implementing changes to the operating structure of either or both of the OreCorp Group and the Silvercorp Group.

While it is currently expected that the operating structure will largely follow the Silvercorp Group's operating structure, as described in section 4, until Silvercorp undertakes its review of the OreCorp Group's operating structure, Silvercorp is unable to provide any detailed information regarding any potential changes to the OreCorp Group's operating structure, other than that described in this section 7.

(e) Operations and assets

Following the conclusion of the compulsory acquisition process, Silvercorp will have the following key operations:

- the Ying Mining District and the GC Mine – Silvercorp's existing mines are expected to remain unchanged following the close of the Offer. A summary of Silvercorp's Ying Mining District and the GC Mine is set out in section 4.2; and
- the Nyanzaga ~~Gold~~ Project – Silvercorp intends to advance the development of the Nyanzaga ~~Gold~~ Project, aiming to commence commercial gold production in the second half of 2025. A summary of the Nyanzaga ~~Gold~~ Project is set out in section 6.3.

Silvercorp will continue to maximise profitable production from its operating mines, including the Ying Mining District and the GC Mine, ~~further advance the development of the Nyanzaga Gold Project~~ and advance its exploration projects. Silvercorp will also further advance the development of the Nyanzaga Project. Silvercorp will also consider future optimisation work for the Nyanzaga Project which may include changes to the scale of the operation or works that are different from those set out in the definitive feasibility study for the Nyanzaga Project that has been released by OreCorp, but only if and when such concepts have been confirmed by a detailed

[updated feasibility study. Until Silvercorp undertakes further studies for the Nyanzaga Project, Silvercorp is unable to provide any detailed information regarding any potential changes to the development plan of the Nyanzaga Project, other than that described in this section 7.](#)

(f) Employees

Silvercorp intends to conduct a comprehensive review of all current OreCorp employees to determine their suitability for permanent roles after the close of the Offer. Employees that are not offered employment with Silvercorp will receive their full contractual and statutory entitlements, which would be paid from Silvercorp's cash reserves.

(g) Headquarters

As at the date of this Bidder's Statement, no decision has been made with respect to OreCorp's current headquarters.

7.3 Intentions upon acquiring a Relevant Interest in 50.1% or more and less than 90% of OreCorp Shares

This section sets out Silvercorp's intentions if Silvercorp were to gain effective control of OreCorp although not becoming entitled to compulsorily acquire the outstanding OreCorp Shares.

(a) ASX Listing

If OreCorp ceases to have the required spread of shareholders as required under the ASX Listing Rules, OreCorp may be removed from the ASX (as applicable).

If Silvercorp acquires control of OreCorp but is not able to move to compulsory acquisition of the remaining OreCorp Shares, Silvercorp intends to cause OreCorp to apply for removal from the official list of ASX (if it becomes entitled to do so).

ASX Guidance Note 33 provides that OreCorp Shareholder approval is not usually required for the removal of OreCorp from the official list of ASX where certain conditions are satisfied, including if following the close of the Offer:

- Silvercorp and its Related Bodies Corporate own or control at least 75% of OreCorp Shares but have not met the conditions to proceed to compulsory acquisition of the remaining OreCorp Shares under the Corporations Act;
- excluding Silvercorp and its Related Bodies Corporate, the number of holders of OreCorp Shares having holdings with a value of at least \$500 is fewer than 150;
- the Offer remains open for at least 2 weeks following Silvercorp and its Related Bodies Corporate have acquired ownership or control of at least 75% of the OreCorp Shares; and
- the removal request from the official list of the ASX follows a successful takeover bid but no later than one month after the close of the Offer.

If the conditions contemplated above are satisfied, Silvercorp may send a notice to all remaining OreCorp Shareholders advising them of the nominated time and date at which OreCorp would be removed from the official list of ASX, being a date not earlier than three months after the date the notice was given. If OreCorp is removed from the official list of the ASX, any remaining OreCorp Shareholders who do not sell their OreCorp Shares on ASX before OreCorp is removed from the official list of the ASX, would face risks associated with the potential reduced liquidity of unlisted OreCorp Shares.

(b) Operations, assets and employees

If, following the close of the Offer, OreCorp becomes a controlled entity but not a wholly owned Subsidiary of Silvercorp, it is the present intention of Silvercorp to be actively involved in influencing the strategic direction of the business of OreCorp to the greatest extent that it is permitted by law.

Silvercorp intends to cause OreCorp to advance the development of the Nyanzaga ~~Gold~~ Project ~~and~~, build the mine. ~~Silvercorp will also consider pursuing, and pursue~~ opportunities for optimisation, such as changes to the scale of the operation or works that are different from those set out in the definitive feasibility study for the Nyanzaga Project that has been released by OreCorp, but only if and when such concepts have been confirmed by a detailed feasibility study. Until Silvercorp undertakes further studies for the Nyanzaga Project, Silvercorp is unable to provide any detailed information regarding any potential changes to the development plan of the Nyanzaga Project, other than that described in this section 7.

Silvercorp intends to, after the end of the Offer Period, conduct a general strategic and operational review of OreCorp's structure, assets, business, capital structure and personnel. Subject to the outcome of the Offer and the review result, the management team of OreCorp may be enhanced or supplemented by Silvercorp, with a view to ensuring that OreCorp has the best possible skills and resources available to undertake its business. However, as at the date of this Bidder's Statement, Silvercorp has not determined the scope of any staff changes.

(c) Directors

Silvercorp intends to (subject to the formal requirements of the Corporations Act and of the OreCorp constitution) procure the appointment of a majority of Silvercorp nominees to the OreCorp Board. The identity of such nominee directors has not yet been finally determined.

Mr Matthew Yates, the Executive Chairman of OreCorp, has agreed to stay on his role if Silvercorp has acquired a Relevant Interest in at least 50.1% of OreCorp Shares but has not met the conditions to proceed to compulsory acquisition of the remaining OreCorp Shares, until the earlier of (unless Mr Yates and Silvercorp agree otherwise):

- when OreCorp is removed from the official list of ASX; and
- 12 months following the Offer becomes or is being declared unconditional.

(d) Limitations on intentions

To the extent that OreCorp does not become a wholly owned Subsidiary of Silvercorp and there are a minority of OreCorp Shareholders, Silvercorp intends that the directors of OreCorp appointed by it will act at all times in accordance with their fiduciary duties and that all requisite shareholder approvals and other legal requirements are complied with in pursuing any of the intentions outlined above.

Those requirements may require the approval of minority OreCorp Shareholders to the implementation of any particular objective.

The requirement to have regard to those fiduciary duties in the context of a partly owned company and the possible requirements of minority OreCorp Shareholder approval may prevent the particular objective being achieved.

(e) Further acquisition of OreCorp Shares

Silvercorp may, at some later time, acquire further OreCorp Shares in a manner consistent with the Corporations Act and any other applicable laws.

(f) Compulsory acquisition at a later time

If Silvercorp becomes entitled at some later time to exercise general compulsory acquisition rights under Part 6A.2 of the Corporations Act, it may exercise those rights.

7.4 Intentions if Silvercorp acquires a Relevant Interest in less than 50.1% of OreCorp Shares

If Silvercorp waives its 50.1% Minimum Acceptance Condition and acquires a Relevant Interest in less than 50.1% of the OreCorp Shares, Silvercorp does not expect to be in a position to give effect to the intentions set out in this section 7 and it would have regard to the circumstances at the time and consider the appropriate courses of action that are in the best interest of Silvercorp and may review its shareholding in OreCorp.

7.5 Limitations on intentions

The intentions and statements of future conduct set out in this section 7 must be read as being subject to:

- (a) the law (including the Corporations Act) and the ASX Listing Rules, including in particular the requirements of the Corporations Act and the ASX Listing Rules in relation to conflicts of interest and “related party” transactions given that if Silvercorp obtains control of OreCorp but does not acquire all of the OreCorp Shares it will be treated as a related party of OreCorp for these purposes;
- (b) the legal obligations of OreCorp Directors at the time, including any nominees of Silvercorp to act in good faith in the best interests of OreCorp and for proper purposes and to have regard to the interests of all OreCorp Shareholders (in which regard, the role of independent directors of OreCorp will also be important).

8 Profile of the Merged Group

8.1 Introduction

This section 8 provides a description of the effect of the Offer on the Silvercorp Group and a profile of the Merged Group, assuming that OreCorp becomes a wholly-owned Subsidiary of Silvercorp. If Silvercorp does not acquire at least 90% of the OreCorp Shares during the Offer Period and therefore does not become entitled to compulsorily acquire the remainder of the OreCorp Shares, some of the benefits that would otherwise accrue to Silvercorp if OreCorp were to become a wholly-owned Subsidiary of Silvercorp may not be fully realised.

For further information in this regard please see section 7.3 of this Bidder's Statement.

8.2 Operating structure and principal activities

As noted in section 7.2 of this Bidder's Statement, Silvercorp intends to undertake a review of the operating structure of the OreCorp Group which may result in Silvercorp implementing changes to the operating structure of either or both of the OreCorp Group and the Silvercorp Group. Silvercorp will continue to maximise profitable production from its operating mines, including the Ying Mining District and the GC Mine, further advance the development of the Nyanzaga ~~Gold~~ Project and advance its exploration projects.

8.3 Resources and reserves of the Merged Group

The Merged Group will have mineral resources and reserves combined of the current Silvercorp's resources and reserves and OreCorp's resources and reserves.

Further information in relation to Silvercorp's resources and reserves are set out in section 4.2.

Further information in relation to OreCorp resources and reserves are set out in section 6.3.

8.4 Strategic direction

The Merged Group's strategy will be to continue creating shareholder value by focusing on generating free cashflow from long life mine, bringing development projects into commercial production, organic growth through optimisation, expansion, and extensive drilling for discovery at existing mines and projects, an ongoing merger and acquisition strategy to enhance diversification and grow accretively, and a long-term commitment to responsible mining and sound ESG practices.

In light of the above, the Merged Group will direct its efforts towards the following specific strategic initiatives:

- continue to deliver profitable production at its portfolio of high margin, long mine life assets in China, as well as streamline these mine operations to optimise capital expenditure, boost productivity and reduce costs;
- leverage the Merged Group's best-in-class technical team to seamlessly transition into the project execution phase at the Nyanzaga Project, build the mine, and pursue opportunities for optimisation;
- identify and pursue strategic merger and acquisition opportunities which support the growth of the Merged Group's production, cash flows and return profile for shareholders;
- target a diversified basket of executable, high quality, high margin, long life projects and mines that have reasonable cost profiles and development timelines in mining-friendly jurisdictions;

- through a combination of near-mine and regional exploration drilling programs, replace reserves as they are depleted and grow resources across the Merged Group's global asset base;
- opportunistically invest in and incubate world-class mineral opportunities as potential avenues for future growth; and
- preserve the Merged Group's robust balance sheet and liquidity profile.

8.5 Dividend policy

It is expected that Silvercorp's current dividend policy, as outlined in section 5.3, will be the dividend policy of the Merged Group following the Offer. The declaration and payment of future dividends, if any, is at the discretion of the Silvercorp Board and will be based on a number of relevant factors including commodity prices, market conditions, financial results, cash flows from operations, and expected cash requirements.

8.6 Capital structure of the Merged Group

The table below summarises the number of Silvercorp Shares that will be post Offer:

Silvercorp Shares	Number
As at the date of this Bidder's Statement	177,036,364 177,048,198
Maximum Silvercorp Shares to be issued under the Offer	38,634,744
Maximum Silvercorp Shares post Offer	215,671,108 215,682,942

Notes:

- 1 Based on 399,531,991 OreCorp Shares on issue that are not held by Silvercorp as at the date of this Bidder's Statement, and assuming all OreCorp Performance Rights are vested and exercised prior to the end of the Offer Period and all OreCorp Options are acquired by Silvercorp and remain unexercised.
- 2 Assuming a 100% take up under the Offer.
- 3 The maximum number of Silvercorp Shares to be issued under the Offer in the table above does not contemplate rounding.
- 4 Assuming no Silvercorp Options or Silvercorp RSUs are exercised between the date of this Bidder's Statement and the end of Offer Period.
- 5 Assuming Silvercorp has not cancelled any Silvercorp Shares that have been repurchased by Silvercorp under the Silvercorp Share Repurchase Program.

8.7 Merged Group unaudited pro forma historical financial information

(a) Merged Group financial information

This section contains the following proforma historical financial information in respect of the Merged Group:

- unaudited proforma historical income statements for the year ended 31 March 2023 and the quarter ended 30 June 2023 of the Merged Group (**Merged Group Unaudited Proforma Historical Income Statements**);
- unaudited proforma historical statement of financial position as at 30 June 2023 of the Merged Group (**Merged Group Unaudited Proforma Historical Statement of Financial Position**); and

- unaudited proforma historical statements of cashflows for the year ended 31 March 2023 and the quarter ended 30 June 2023 of the Merged Group (**Merged Group Unaudited Proforma Historical Statements of Cashflows**),

(together, the **Merged Group Unaudited Proforma Historical Financial Information**).

(b) Basis of preparation

The Merged Group Unaudited Proforma Historical Financial Information has been derived from the historical financial information provided by Silvercorp and OreCorp respectively, and prepared in accordance with the recognition and measurement principles prescribed in the International Financial Reporting Standards (**IFRS**), other than it is presented on a pro forma basis as if the Offer had already occurred and Silvercorp had acquired 100% of OreCorp Shares and taking into account certain proforma adjustments set out in sections 8.7(e), 8.7(f) and 8.7(g) below.

The Merged Group Unaudited Proforma Historical Financial Information is presented in abbreviated form and consequently does not contain all presentation and disclosures that are usually provided in an annual report prepared in accordance with the Corporations Act.

The Merged Group Unaudited Proforma Historical Financial Information has been prepared for illustrative purposes to provide OreCorp Shareholders with an indication of the financial performance, financial position and cashflows of the Merged Group as if Silvercorp has acquired 100% of OreCorp Shares prior to the commencement of the relevant financial year (or quarter, as applicable).

The Merged Group Unaudited Proforma Historical Financial Information does not reflect the actual performance, financial position or cashflows of the Merged Group at the time when and if Silvercorp acquires 100% of OreCorp Shares. It has been prepared for illustrative purposes only for this Bidder's Statement.

The Merged Group Unaudited Proforma Historical Financial Information presented contains:

- the Merged Group Unaudited Proforma Historical Income Statements and Merged Group Unaudited Proforma Historical Statements of Cashflows for the year ended 31 March 2023 and the quarter ended 30 June 2023, which are derived from Silvercorp's and OreCorp's historical financial information, and adjusted for proforma adjustments in sections 8.7(e) and 8.7(g) below, respectively; and
- the Merged Group Unaudited Proforma Historical Statement of Financial Position as at 30 June 2023, which is derived from Silvercorp's and OreCorp's historical financial information, and adjusted for pro forma adjustments set out in section 8.7(f) below.

The Merged Group Unaudited Proforma Historical Financial Information is presented in US\$000s in line with Silvercorp's functional and presentation currency, with OreCorp's historical statement of financial position translated at the spot rate as at 30 June 2023 and OreCorp's historical income statements and statements of cashflows translated at the average rate over the relevant period.

The Merged Group Unaudited Proforma Historical Financial Information is presented using a financial year ended 31 March 2023, in line with Silvercorp's financial year. OreCorp's historical financial information has been converted into the financial year ended 31 March by using the audited financial statements for the year-ended 30 June 2023, adjusted by removing the final quarter financials (Quarter to 30 June 2023) and adding the final quarter in the previous financial year (Quarter to 30 June 2022).

(c) Basis of proforma

From an accounting perspective, Silvercorp will gain control over OreCorp. An assessment has been made under IFRS 3 Business Combinations (**IFRS 3**), determining that Silvercorp's acquisition of OreCorp would meet the definition of an asset acquisition, as opposed to a business combination. Accordingly, the fair value of the purchase consideration, applicable transaction costs are allocated to the identifiable assets acquired and liabilities assumed on a fair value basis.

The value of the consideration for the acquisition of the OreCorp Shares not already owned by Silvercorp under the Offer will be measured based upon the value of the Silvercorp Shares at close of trading when Silvercorp pays the Offer Consideration to the relevant OreCorp Shareholders who have accepted the Offer. A combination of cash and scrip (in the form of New Silvercorp Shares) will form the total consideration. For the purposes of the Merged Group Unaudited Proforma Historical Financial Information, a value of A\$0.582 (US\$0.396) for each OreCorp Share (on a fully diluted basis) has been assumed, being cash of A\$0.19 (US\$0.13), plus the merger ratio of 0.0967 of the closing price of Silvercorp Shares on 22 December 2023, resulting in a total consideration of US\$158.2 million (A\$232.7 million).

Consequently, the value of the purchase consideration for accounting purposes may differ from the amount assumed in the Merged Group Unaudited Proforma Historical Financial Information due to changes in the market price of Silvercorp Shares and the timing when Silvercorp issues the Share Consideration to the OreCorp Shareholders who have accepted the Offer.

(d) Items not reflected in the Merged Group Unaudited Proforma Historical Financial Information

As detailed above, the Merged Group Unaudited Proforma Historical Financial Information is provided for illustrative purposes only.

The Merged Group Unaudited Proforma Historical Financial Information presented does not purport to reflect the likely actual or prospective reported financial performance, financial position or cashflows of the Merged Group.

It is likely that the actual financial performance, financial position and cashflows of the Merged Group in future periods will differ from the Merged Group Unaudited Proforma Historical Financial Information presented. The factors which may impact the actual financial performance, financial position or cashflows of the Merged Group include, but are not limited to:

- trading of Silvercorp and OreCorp after 30 June 2023, which is not reflected in the Merged Group Unaudited Proforma Historical Financial Information;
- the risk factors set out in section 10;
- the ultimate timing of when Silvercorp acquires 100% of OreCorp Shares;
- finalisation of the acquisition accounting; and
- current and future changes to accounting standards (if any).

In August 2023, OreCorp issued 70,411,344 OreCorp Shares to Silvercorp at A\$0.40 (US\$0.27) per Share, resulting in aggregate proceeds of A\$28.2 million (US\$18.5 million) being received by OreCorp. Upon completion of the Placement, Silvercorp owned 15% of the total outstanding shares of OreCorp. Since then, Silvercorp has acquired a further 3,477,673 OreCorp Shares on market taking its aggregate holding to 15.74% of the total outstanding OreCorp Shares.

(e) **Merged Group Unaudited Proforma Historical Income Statements**

	Silvercorp	OreCorp	Proforma Adjustment s	Merged Group
Year ended 31 March 2023	US\$000s	US\$000s	US\$000s	US\$000s
Revenue	208,129	-	-	208,129
Cost of mine operations	(137,346)	-	-	(137,346)
Net income from mine operations	70,783	-	-	70,783
Corporate, general & admin	(13,249)	(4,370)	-	(17,619)
Property evaluation & business development	(438)	(6,999)	6,999	(438)
Foreign exchange gain	4,842	12	-	4,854
Loss on equity investments	(2,318)	-	-	(2,318)
Share of loss in associates	(2,901)	-	-	(2,901)
Dilution loss on investment in associate	(107)	-	-	(107)
Loss on disposal of plant & equipment	(444)	-	-	(444)
Impairment of mineral rights & properties	(20,211)	-	-	(20,211)
Other expenses	(2,210)	-	-	(2,210)
Net profit / (loss) before financing and income tax	33,747	(11,357)	6,999	29,389
Finance income	4,654	257	-	4,911
Finance costs	(3,258)	-	-	(3,258)
Net profit / (loss) before tax from continuing operations	35,143	(11,099)	6,999	31,042
Income tax expense	(14,043)	-	-	(14,043)
Net profit / (loss) after tax from continuing operations	21,100	(11,099)	6,999	16,999
Loss from discontinued operations	-	(3,378)	-	(3,378)
Net profit / (loss) for the year	21,100	(14,478)	6,999	13,621
Non-controlling interest	(492)	227	-	(265)
Net profit / (loss) for the year attributable to members	20,608	(14,251)	6,999	13,356

	Silvercorp	OreCorp	Proforma Adjustment s	Merged Group
Quarter ended 30 June 2023	US\$000s	US\$000s	US\$000s	US\$000s
Revenue	60,006	-	-	60,006
Cost of mine operations	(36,705)	-	-	(36,705)
Net income from mine operations	23,301	-	-	23,301
Corporate, general & admin	(3,650)	(1,508)	-	(5,158)
Property evaluation & business development	(109)	(2,512)	2,512	(109)
Foreign exchange loss	(2,227)	(33)	-	(2,260)
Gain on equity investments designated as FVTPL	1,086	-	9,670	10,756
Share of loss in associates	(640)	-	-	(640)
Gain on disposal of plant & equipment	5	-	-	5
Other income / (expenses)	234	-	(3,072)	(2,838)
Net profit / (loss) before financing and income tax	18,000	(4,052)	9,109	23,057
Finance income	1,494	85	-	1,579
Finance costs	(60)	-	-	(60)
Net profit / (loss) before tax	19,434	(3,967)	9,109	24,576
Income tax expense	(6,221)	-	-	(6,221)

	Silvercorp	OreCorp	Proforma Adjustment s	Merged Group
Quarter ended 30 June 2023	US\$000s	US\$000s	US\$000s	US\$000s
Net profit / (loss) for the year	13,213	(3,967)	9,109	18,355
Non-controlling interest	(3,996)	211	-	(3,785)
Net profit / (loss) for the year attributable to members	9,217	(3,756)	9,109	14,570

(i) *Proforma adjustments – Merged Group Unaudited Proforma Historical Income Statements*

- Exploration costs of US\$7.0 million for the year ended 31 March 2023 and US\$2.5 million for the quarter ended 30 June 2023 that were expensed as incurred under the OreCorp accounting policy have been capitalised to the Mineral rights & properties to align with Silvercorp's accounting policy.
- Estimated transaction costs of US\$3.0 million to be incurred by OreCorp with respect to the Scheme and the Offer.
- Estimated gain of US\$9.1 million before tax for the fair value of the Silvercorp 15.74% ownership in OreCorp since initial placement of shares.

(ii) *Items not reflected in the Merged Group Unaudited Proforma Historical Income Statements*

- Trading of Silvercorp and OreCorp after 30 June 2023.

(f) **Merged Group Unaudited Proforma Historical Statement of Financial Position as at 30 June 2023**

	Silvercorp	OreCorp	Transaction costs	Acquisition of OreCorp	Silvercorp dividend declared	Provisio n for tax on change of control	Merged Group
	US\$000s	US\$000 s	US\$000s	US\$000s	US\$000s	US\$000s	US\$000s
Current assets							
Cash and cash equivalents	143,278	8,987	(7,129)	(51,612)	(2,210)	-	91,314
Short term investments	57,322	-	-	-	-	-	57,322
Trade and other receivables	1,606	240	-	-	-	-	1,846
Inventories	6,819	-	-	-	-	-	6,819
Other current assets	5,479	131	-	-	-	-	5,610
Total current assets	214,504	9,358	(7,129)	(51,612)	(2,210)	-	162,911
Non-current assets							
Plant & equipment	76,904	446	-	-	-	-	77,350
Investment properties	470	-	-	-	-	-	470
Long term & prepaid deposits	886	-	-	-	-	-	886
Reclamation deposits	6,594	-	-	-	-	-	6,594
Mineral rights & properties	293,766	12,592	4,057	147,360	-	22,665	480,440
Investment in associates	51,225	-	-	-	-	-	51,225
Other investments	20,470	-	-	-	-	-	20,470
Deferred tax assets	200	-	-	-	-	-	200

	Silvercorp	OreCorp	Transaction costs	Acquisition of OreCorp	Silvercorp dividend declared	Provision for tax on change of control	Merged Group
	US\$000s	US\$000s	US\$000s	US\$000s	US\$000s	US\$000s	US\$000s
Total non-current assets	450,515	13,038	4,057	147,360	-	22,665	637,635
Total assets	665,019	22,396	(3,072)	95,748	(2,210)	22,665	800,546
Current liabilities							
Trade and other payables	38,836	1,893	-	-	-	-	40,729
Provisions	-	318	-	-	-	-	318
Lease liabilities	277	29	-	-	-	-	306
Deposits received	5,486	-	-	-	-	-	5,486
Tax payable	374	-	-	-	-	22,665	23,039
Total current liabilities	44,973	2,240	-	-	-	22,665	69,877
Non-current liabilities							
Provisions	-	39	-	-	-	-	39
Lease liabilities	254	-	-	-	-	-	254
Environmental rehabilitation provision	6,898	-	-	-	-	-	6,898
Deferred income tax liabilities	46,417	-	-	-	-	-	46,417
Total non-current liabilities	53,569	39	-	-	-	-	53,608
Total liabilities	98,542	2,279	-	-	-	22,665	123,486
Net assets	566,477	20,117	(3,072)	95,748	(2,210)	-	677,060
Equity							
Issued capital	256,675	91,634	-	14,998	-	-	363,307
Reserves	(10,636)	1,650	-	(1,650)	-	-	(10,636)
Retained earnings	236,888	(72,730)	(3,072)	82,400	(2,210)	-	241,276
Equity attributable to equity holders of the Company	482,927	20,554	(3,072)	95,748	(2,210)	-	593,947
Non-controlling interest	83,550	(437)	-	-	-	-	83,113
Total equity	566,477	20,117	(3,072)	95,748	(2,210)	-	677,060

(i) *Proforma adjustments – Merged Group Unaudited Proforma Historical Statement of Financial Position*

- Estimated transaction costs of US\$7.1 million to be incurred by the Merged Group with respect to the Scheme and the Offer. US\$4.1 million relating to Silvercorp is capitalised to Mineral Rights & Properties and US\$3.0 million relating to OreCorp is included in the Merged Group Unaudited Pro forma Income Statement.
- Acquisition of OreCorp, at an assumed equity purchase price of A\$0.582 per OreCorp Share. Total OreCorp Shares on issue are currently 469,408,892 plus 4,012,106 unlisted performance rights that will automatically vest upon a change of control. Excluding 73,889,007 Shares owned by Silvercorp, which will not be subject to acquisition through the Offer, there are 399,531,991 Shares that could be acquired, giving an implied value of US\$158.2 million recognised as US\$140.8 million increase to Mineral Rights & Properties. The equity purchase price will be funded US\$51.6 million in cash, with the remaining settled via the issuance of New Silvercorp Shares.

- Included within the acquisition of OreCorp is an estimated gain of US\$9.7 million after tax for the fair value of the Silvercorp 15.74% ownership in OreCorp since initial placement of shares recognised in Mineral Rights & Properties.
- Included within the acquisition of OreCorp is the acquisition of 3,725,257 OreCorp Options outstanding, for compensation totalling US\$57,000.
- Included within the acquisition of OreCorp is the exercise of US\$0.6 million performance rights, the acquisition of US\$0.7 million options and US\$0.4 million write off in the reserve totalling US\$1.7 million.
- On 9 November 2023, Silvercorp announced a semi-annual dividend of US\$0.0125 per share (US\$2.2 million) to be paid to shareholders on or before December 15, 2023.
- Upon completion of the transaction, the transaction may incur a capital gains tax payable under Tanzanian legislation. Although the application of this tax is uncertain, an estimate of US\$22.7 million has been made²².

Capital gains tax is payable in Tanzania, in accordance with section 56 of the Income Tax Act 2004, where the ultimate share ownership of a Tanzanian entity changes by more than 50%. The tax is levied on the notional capital gain arising from the difference between the risk adjusted expected cost base and the market value of the consideration at the 30% Tanzanian corporate income tax rate.

The application of capital gains tax will only be known upon completion of the transaction. An estimate of the tax payable has been made ~~by reference to the market value of the consideration,~~ based on the assumed equity purchase price of A\$0.582 per OreCorp Share as noted above, and the risk-adjusted, expected cost base for the calculation of the capital gain, based on expenditures incurred on the Nyanzaga Project, to date, in Tanzania.

Silvercorp is offering to acquire all of the outstanding OreCorp Shares, which will extend to 100% ownership of OreCorp's Tanzanian subsidiaries, OreCorp Tanzania and NMCL and an 84% effective ownership of SMCL. The remaining 16% of SMCL is owned by the Government of Tanzania. This meets the change of control test, where ultimate share ownership of these entities will change by more than 50%.

(ii) *Items not reflected in the Merged Group Unaudited Proforma Historical Statement of Financial Position*

- Trading of Silvercorp and OreCorp after 30 June 2023.
- The financial impact of any shares bought back under the Silvercorp share buyback scheme announced on 15 September 2023.

²² The capital gain tax was previously estimated, as disclosed in the Scheme Booklet, to be approximately US\$14.1 million, when calculated based on the assumed equity purchase price (before the increase of the Scheme Consideration) of A\$0.51 per OreCorp Share. This estimation has been adjusted in this section 8.7(f) based on the updated assumed equity purchase price of A\$0.582, resulting in an increased total transaction consideration of approximately US\$30 million.

- Proforma adjustments do not include potentially unrecognised deferred tax assets.

(g) **Merged Group Unaudited Proforma Historical Statements of Cashflows**

	Silvercorp	OreCorp	Proforma Adjustment s	Merged Group
Year ended 31 March 2023	US\$000s	US\$000s	US\$000s	US\$000s
Cashflows from operating activities				
Receipts from customers	209,065	-	-	209,065
Payments to suppliers and employees	(113,842)	(12,894)	7,488	(119,248)
Interest and other costs of finance paid	(43)	(112)	-	(155)
Income taxes paid	(9,537)	-	-	(9,537)
Interest received	-	249	-	249
Net cash inflow / (outflow) from operating activities	85,643	(12,757)	7,488	80,374
Cashflows from investing activities				
Purchase of property, plant & equipment	(13,293)	(178)	-	(13,471)
Proceeds from disposal of property, plant & equipment	215	-	-	215
Mineral rights & properties expenditures	(41,664)	(3,372)	(7,488)	(52,524)
Acquisition of investments	(3,702)	-	-	(3,702)
Proceeds from disposal of investments	1,035	-	-	1,035
Investment in associates	(2,055)	-	-	(2,055)
Net proceeds from reclamation deposits	835	-	-	835
Proceeds from leasing	172	-	-	172
Purchase of short term investments	(182,299)	-	-	(182,299)
Redemption of short term investments	214,232	-	-	214,232
Net cash outflow from investing activities	(26,524)	(3,550)	(7,488)	(37,562)
Cashflows from financing activities				
Payment of principal portion of lease liabilities	(597)	(43)	-	(640)
Payments for share issue transaction costs	-	(2)	-	(2)
Distributions to non-controlling interests	(10,880)	-	-	(10,880)
Repurchase of common shares	(2,078)	-	-	(2,078)
Dividends paid	(4,425)	-	-	(4,425)
Net cash outflow from financing activities	(17,980)	(45)	-	(18,025)
Net increase / (decrease) in cash and cash equivalents	41,139	(16,352)	-	24,787
Foreign exchange movement on cash and cash equivalents	(8,749)	(702)	-	(9,451)
Cash and cash equivalents at beginning of financial year	113,302	28,891	-	142,193
Cash and cash equivalents at end of financial year	145,692	11,837	-	157,529

	Silvercorp	OreCorp	Proforma Adjustment s	Merged Group
Quarter ended 30 June 2023	US\$000s	US\$000s	US\$000s	US\$000s
Cashflows from operating activities				
Receipts from customers	60,118	-	-	60,118
Payments to suppliers and employees	(26,697)	(2,497)	(1,644)	(30,838)
Interest and other costs of finance paid	(7)	(246)	-	(253)
Income taxes paid	(4,533)	-	-	(4,533)
Interest received	-	88	-	88
Net cash inflow / (outflow) from operating activities	28,881	(2,655)	(1,644)	24,583
Cashflows from investing activities				
Purchase of property, plant & equipment	(3,214)	(97)	-	(3,311)
Proceeds from disposal of property, plant & equipment	124	-	-	124
Mineral rights & properties expenditures	(11,885)	-	(1,428)	(13,313)
Acquisition of investments	(3,594)	-	-	(3,594)
Proceeds from disposal of investments	70	-	-	70
Net costs from reclamation deposits	(15)	-	-	(15)
Purchase of short term investments	(8,552)	-	-	(8,552)
Redemption of short term investments	5,950	-	-	5,950
Acquisition of OreCorp	-	-	(55,669)	(55,669)
Net cash outflow from investing activities	(21,116)	(97)	(57,097)	(78,310)
Cashflows from financing activities				
Payment of principal portion of lease liabilities	(64)	(27)	-	(91)
Distributions to non-controlling interests	(7,248)	-	-	(7,248)
Dividends paid	(2,214)	-	(2,210)	(4,424)
Net cash outflow from financing activities	(9,526)	(27)	(2,210)	(11,763)
Net decrease in cash and cash equivalents	(1,761)	(2,779)	(60,951)	(65,490)
Foreign exchange movement on cash and cash equivalents	(653)	(72)	-	(725)
Cash and cash equivalents at beginning of financial year	145,692	11,837	-	157,529
Cash and cash equivalents at end of financial year	143,278	8,986	(60,951)	91,314

(i) *Proforma adjustments – Merged Group Unaudited Proforma Historical Statement of Cashflows*

- Payments to suppliers & employees that were attributable to exploration & evaluation activities, and expensed as incurred under the OreCorp accounting policy of US\$7.5 million for the year ended 31 March 2023 and US\$1.4 million for the quarter ended 30 June 2023, have been transferred to Mineral rights & properties expenditures to align with Silvercorp's accounting policy.
- US\$51.6 million has been incurred in investing activities for the payment of the cash component of the estimated consideration for OreCorp.

- On 9 November 2023, Silvercorp announced a semi-annual dividend of US\$0.0125 per share (US\$2.2 million) to be paid to shareholders on or before December 15, 2023.
 - Estimated transaction costs to be incurred by the Merged Group with respect to the Scheme and Offer have been included in Payments to suppliers & employees, to the extent they are incurred by OreCorp (US\$3.0 million) and investing activities, to the extent they are incurred by Silvercorp (US\$4.1 million).
- (ii) *Items not reflected in the Merged Group Unaudited Proforma Historical Statement of Financial Position*
- Operating cashflows of Silvercorp and OreCorp after 30 June 2023.
 - The financial impact of any shares bought back under the Silvercorp share buyback scheme announced on 15 September 2023.

9 Funding

9.1 Consideration under the Offer

The consideration for the acquisition of OreCorp Shares to which the Offer relates will be satisfied partly in cash (in Australian dollars) and partly by the issue of Silvercorp Shares.

9.2 Share Consideration

Based on the number of OreCorp Shares on issue as at the date of this Bidder's Statement, the maximum number of OreCorp Shares that could be acquired by Silvercorp under this Offer is 399,531,991, being all of the OreCorp Shareholders that are not owned by Silvercorp and assuming all OreCorp Performance Rights have been exercised before the end of the Offer Period and all OreCorp Options are acquired by Silvercorp and remain unexercised.

Accordingly, the maximum number of Silvercorp Shares which may be required to settle acceptances under the Offer is approximately 38,634,744 (without contemplating rounding).

Silvercorp has the capacity to issue the maximum number of Silvercorp Shares which it may be required to issue under the Offer.

9.3 Cash Consideration

Based on the number of OreCorp Shares on issue as at the date of this Bidder's Statement, the maximum amount of cash that would be payable by Silvercorp under the Offer if acceptances were received for all OreCorp Shares that are not owned by Silvercorp is approximately A\$75,911,079 (assuming all OreCorp Performance Rights have been exercised before the end of the Offer Period and all OreCorp Options are acquired by Silvercorp and remain unexercised).

The Cash Consideration will be funded from existing cash reserves of Silvercorp. As at 30 September 2023, Silvercorp and its Related Bodies Corporate had cash and cash equivalents of US\$119,098,000, exceeding the maximum cash amount which may be required to settle acceptances under the Offer.

10 Investment risks

10.1 Introduction

In deciding whether or not to accept the Offer, you should read this entire Bidder's Statement carefully. You should also carefully consider the risk factors outlined in this section and your personal circumstances. This section is general only and does not take into account your individual objectives, financial situation or needs.

Provided the Offer becomes or is declared unconditional, OreCorp Shareholders who accept the Offer will become shareholders in Silvercorp and will be exposed to the risks of the Merged Group (which include the existing risks of investments in OreCorp and Silvercorp). There are also a number of additional risks relating to the Offer as well as risks of a more general nature relating to the economy and with investing in the share market generally.

The future performance of the Merged Group, the future investment performance of Silvercorp's Shares, and the amount and timing of any dividends that Silvercorp pays will be influenced by a wide range of factors. Some of these factors can be mitigated by the use of safeguards and appropriate commercial action. However, many of these factors are beyond the control of Silvercorp and its directors. There can be no guarantee that Silvercorp will achieve its stated objectives or intentions, that forecasts will be met or that forward looking statements will be realised.

This section outlines some of the risk factors:

- (a) associated with the businesses Silvercorp and OreCorp, which will therefore be risks to which the Merged Group will be exposed (see section 10.2);
- (b) that arise from the Offer and the creation of the Merged Group (see section 10.3); and
- (c) that relate to the general economy and securities market (see section 10.4).

The risks identified in this Bidder's Statement are not exhaustive. Silvercorp gives no assurance or guarantee that the risks set out in this Bidder's Statement will not change, or that additional risks which are not disclosed in this Bidder's Statement will not arise. There may be other material risks which are not disclosed in this Bidder's Statement because they have not been announced by OreCorp to the ASX, are not known to Silvercorp or were not considered to be material at the date of this Bidder's Statement.

Such additional risks and uncertainties may also have a material adverse effect on the performance of Silvercorp or the Merged Group, the ability of Silvercorp or the Merged Group to pay dividends, and the value of Silvercorp's Shares. The information set out in this section does not purport to be, nor should it be construed as representing, an exhaustive list of the risks affecting Silvercorp or the Merged Group.

This section does not take into account the investment objectives, financial situation, tax position or particular needs of any investor. OreCorp Shareholders should read this Bidder's Statement in its entirety and consult their own professional advisors before deciding whether to accept the Offer.

10.2 Specific risk factors relating to the Merged Group

- (a) **The prices of silver, lead, zinc and gold fluctuate widely and a substantial or extended decline in prices could materially and adversely affect the Merged Group's results of operations or financial condition**

The Merged Group's revenues, if any, are expected to be in large part derived from the mining and sale of silver, lead, zinc and gold contained in metal concentrates. The prices of those commodities have fluctuated widely, particularly in recent years and are affected by numerous factors beyond Silvercorp's control including

international and regional economic and political conditions; expectations of inflation; currency exchange fluctuations; interest rates; global or regional supply and demand for jewellery and industrial products containing silver and other metals; sale of silver and other metals by central banks and other holders, forward selling activities, speculators and producers of silver and other metals; availability and costs of metal substitutes; and increased production due to new mine developments and improved mining and production methods. The effects of these factors on the price of base and precious metals and therefore the viability of the Merged Group's exploration projects and mining operations, cannot be accurately predicted and thus the price of base and precious metals may have a significant influence on the market price of Silvercorp's Shares and the value of its projects.

If silver, gold and other metal prices were to decline significantly for an extended period of time, the Merged Group may be unable to continue operations, develop its projects, or fulfil obligations under agreements with the Merged Group's joint venture partners or under its permits or licences.

(b) **Actual capital costs, operating costs, production and economic returns may differ significantly from those anticipated and future development activities may not result in profitable mining operations**

There are no assurances if and when a particular mineral property of the Merged Group can enter into production. The amount of future production is based on the estimates prepared by or for Silvercorp. The capital and operating costs to take the Merged Group's projects into production or maintain or increase production levels may be significantly higher than anticipated. Capital and operating costs of production and economic returns are based on estimates prepared by or for Silvercorp and may differ significantly from their actual values. There can be no assurance that the Merged Group's actual capital and operating costs will not be higher than currently anticipated. In addition, the construction and development of mines and infrastructure are complex. Resources invested in construction and development may yield outcomes that may differ significantly from those anticipated by Silvercorp.

(c) **The permits and licences required for the Merged Group's mining and exploration operations may not be granted or renewed**

All of Silvercorp's CIM Mineral Resources and CIM Mineral Reserves in China are owned by their respective joint venture entities. Mineral exploration and mining activities in China may only be conducted by entities that have obtained or renewed exploration or mining permits and licences and other certificates in accordance with the relevant mining laws and regulations. Under Chinese laws and regulations, if there are residual reserves in a property when the mining permit in respect of such property expires, the holder of the expiring mining permit will be entitled to apply for an extension for an additional term. Silvercorp believes that there will be no material substantive obstacle in renewing such permits. Nevertheless, there can be no assurance as to whether the current relevant Chinese laws and regulations, as well as the current mining industry policy, will remain unchanged at the time of the extension application of such permits nor can there be any assurance that the competent authorities will not use their discretion to deny or delay the renewal or the extension of relevant mining permits due to factors outside Silvercorp's control. Therefore, there can be no assurance that Silvercorp will successfully renew its mining permits on favourable terms, or at all, once such permits expire.

Any failure to obtain or any delay in obtaining or retaining any required governmental approvals, permits or licences could subject Silvercorp to a variety of administrative penalties or other government actions and adversely impact the Merged Group's business operations. The relevant state and provincial authorities in China do not allow exploration permit renewal applications to be submitted earlier than 30 days before the permit expiration date and a delay of 2 to 3 months for permit application processing times is not uncommon. The relevant state and provincial authorities in

China do not issue formal documentation to guarantee permit renewal while processing renewal applications. If any administrative penalties and other government actions are imposed on or taken against Silvercorp due to Silvercorp's failure to obtain, or delay in obtaining or retaining, any required governmental approvals, permits or licences, the Merged Group's business, financial condition and results of operations could be materially and adversely affected.

The success of the Merged Group will also depend (among other things) on its ability to maintain title to the Nyanzaga Project and secure the various governmental approvals required to develop the Nyanzaga Project. Interests in all permits in Tanzania are governed by state legislation and are evidenced by the granting of licences. Each licence is for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. As such, the Merged Group could be exposed to additional costs, have its ability to explore or mine the permits reduced, or lose title to or its interest in the permits if licence conditions are not met or if insufficient funds are available to meet expenditure commitments. There is also a risk that permits will not be renewed when required, or that future mineral licence applications may not be approved.

No guarantee can be given that the necessary exploration and mining permits and licences will be issued to the Merged Group or, if they are issued, that they will be renewed, or if renewed under reasonable operational and/or financial terms, or in a timely manner, or that the Merged Group will be in a position to comply with all conditions that are imposed.

(d) The title to some of the Merged Group's mineral projects may be uncertain or defective, which put the Merged Group's investment in such properties at risk

The validity of mining or exploration titles or claims or rights, which constitute most of the Merged Group's property holdings, can be uncertain and may be contested. The Merged Group's properties may be subject to prior unregistered liens, agreements or transfers, indigenous land claims, or undetected title defects.

In some cases, the Merged Group may not own or hold rights to the mineral concessions it mines. Silvercorp has not conducted surveys of all the claims in which the Merged Group will hold direct or indirect interests and therefore, the precise area and location of such claims may be in doubt. No assurance can be given that applicable governments will not revoke or significantly alter the conditions of the applicable exploration and mining titles or claims, or that such exploration and mining titles or claims will not be challenged or impugned by third parties.

Silvercorp may be unable to operate the Merged Group's properties as expected, or to enforce Silvercorp's rights to the Merged Group's properties. Any defects in title to the Merged Group's properties, or the revocation of Silvercorp's rights to mine, could have a material adverse effect on the Merged Group's operations and financial condition.

The Merged Group operates in countries with developing mining laws and changes in such laws could materially impact Silvercorp's rights or interests to the Merged Group's properties. For example, relevant to OreCorp's Nyanzaga Project, amendments to the Tanzanian Mining Act in 2017 saw an increased power and role for the government in investment contracts, including the Tanzanian Government having the authority to dissolve or renegotiate existing contracts. Provisions also allowed the Tanzanian Government to own at least a 16% free carried interest stake in mining companies, with the option to acquire up to 50%. In addition, the Tanzanian Government is able to reject international arbitration for natural resource disputes.

The Merged Group is also subject to expropriation risk, including the risk of expropriation or extinguishment of property rights based on a perceived lack of development or advancement. Expropriation, extinguishment of rights and any other

such similar governmental actions would likely have a material adverse effect on the Merged Group's operations and profitability.

In some of the jurisdictions in which the Merged Group will operate, legal rights applicable to mining concessions are different and separate from legal rights applicable to surface lands. Accordingly, title holders of mining concessions in many jurisdictions must agree with surface landowners on compensation in respect of mining activities conducted on such land. The Merged Group does not hold title to all of the surface lands at many of the Merged Group's operations and rely on contracts or other similar rights to conduct surface activities.

(e) **Mineral Reserve and Mineral Resource estimates may not reflect the amount of minerals that may ultimately be extracted**

There is a degree of uncertainty attributable to the estimation of Mineral Resources, Mineral Reserves, mineralisation and corresponding grades being mined or dedicated to future production. Until Mineral Resources, Mineral Reserves or mineralisation are actually mined and processed, the quantity of metals and grades must be considered as estimates only. The figures for Mineral Reserves and Mineral Resources contained in this Bidder's Statement are estimates only based on a number of assumptions, any adverse changes to which could require the Merged Group to lower its Mineral Resource and Mineral Reserve estimates and no assurance can be given that the anticipated tonnages and grades will be achieved, that the indicated level of recovery will be realised or that Mineral Reserves could be mined or processed profitably. Silvercorp's estimates of economically recoverable reserves are primarily based upon interpretations of geological models, which make various assumptions, such as assumptions with respect to, prices, costs, regulations and environmental and geological factors. These assumptions have a significant effect on the amounts recognised in Silvercorp's technical reports and financial statements and any material difference between these assumptions and actual events may affect the economic viability of the Merged Group's properties or any project undertaken by the Merged Group. There are numerous uncertainties inherent in estimating Mineral Reserves and Mineral Resources, including many factors beyond Silvercorp's control. Such estimation is a subjective process and the accuracy of any reserve or resource estimate is a function of the quantity and quality of available data and of the assumptions made and judgments used in engineering and geological interpretation. Short-term operating factors relating to the Mineral Reserves, such as the need for orderly development of the ore bodies or the processing of new or different ore grades, may cause the mining operation to be unprofitable in any particular accounting period. Valid estimates made at a given time may significantly change when new information becomes available. Any material change in quantity of Mineral Resources, Mineral Reserves, mineralisation, or grade may affect the economic viability of the Merged Group's projects. In addition, there can be no assurance that precious or other metal recoveries in small-scale laboratory tests will be duplicated in larger scale tests or during production, or that the existing known and experienced recoveries will continue.

(f) **Mineral Reserve and Mineral Resource estimates may change adversely and such changes may negatively impact the Merged Group's results of operations or financial conditions**

Unless otherwise indicated, Mineral Resource and Mineral Reserve estimates contained in this Bidder's Statement and in Silvercorp's other filings with securities regulatory authorities, press releases and other public statements that may be made from time to time are based upon estimates made by Silvercorp's personnel and independent geologists/mining engineers. These estimates are imprecise and depend upon geologic interpretation and statistical inferences drawn from drilling and sampling analysis, which may prove to be unreliable. The Mineral Resource and Mineral Reserve estimates contained in this Bidder's Statement have been determined based on assumed future prices, cut-off grades, operating costs and other estimates that may prove to be inaccurate. There can be no assurance that

these estimates will be accurate, that Mineral Reserve, Mineral Resource or other mineralisation figures will be accurate, or that the mineralisation could be mined or processed profitably. The interpretation of drill results, the geology, grade and continuity of the Merged Group's mineral deposits contains inherent uncertainty. Any material reductions in estimates of mineralisation, or of the Merged Group's ability to extract this mineralisation, could have a material adverse effect on its results of operations or financial condition.

The market price of silver, gold and other metals is subject to fluctuations, which can affect the economic viability of developing the Merged Group's Mineral Reserves for a specific project or lead to a reduction in reserves. There is no guarantee that Mineral Resource estimates will be reclassified as Proven Reserve or Probable Reserves (as those terms are defined in the CIM Standards) or that the mineralisation can be mined or processed profitably. Inferred Mineral Resources are highly uncertain in terms of their existence and economic and legal feasibility. Additionally, Mineral Resource estimates may be revised based on actual production experience. The evaluation of reserves and resources is influenced by economic and technological factors that may change over time. If the Merged Group's Mineral Reserve or Mineral Resource figures are decreased in the future, it could have a negative impact on the Merged Group's cash flows, earnings, operational results and financial condition.

(g) Mineral exploration activities have a high risk of failure and may never result in finding ore bodies sufficient to develop a producing mine

The long-term operation of the Merged Group's business and its profitability is dependent, in part, on the cost and success of its exploration and development programs. Mineral exploration and development involve a high degree of risk and few properties that are explored are ultimately developed into producing mines. There can be no assurance that the Merged Group's mineral exploration and development programs will result in any discoveries of bodies of commercial mineralisation. There can also be no assurance that even if commercial quantities of mineralisation are discovered that a mineral property will be brought into commercial production. Development of the Merged Group's mineral properties will follow only upon obtaining satisfactory exploration results. Discovery of mineral deposits is dependent upon a number of factors, including the technical skill of the exploration personnel involved. The commercial viability of a mineral deposit once discovered is also dependent upon a number of factors, some of which are the particular attributes of the deposit (such as size, grade and proximity to infrastructure), metals prices and government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection. Most of the above factors are beyond the control of Silvercorp. As a result, there can be no assurance that the Merged Group's exploration and development programs will yield reserves to replace or expand current resources. Unsuccessful exploration or development programs could have a material adverse effect on the Merged Group's operations and profitability.

(h) Silvercorp may fail to successfully integrate future acquisitions into existing operations

Silvercorp may make select future acquisitions. If Silvercorp does make acquisitions, any positive effect on Silvercorp's results will depend on a variety of factors, including: integrating the operations of an acquired business or property in a timely and efficient manner; maintaining Silvercorp's financial and strategic focus while integrating the acquired business or property; implementing uniform standards, controls, procedures and policies at the acquired business, as appropriate; and to the extent that Silvercorp makes an acquisition outside of markets in which it has previously operated, conducting and managing operations in a new operating environment.

Acquiring additional businesses or properties could place pressure on the Merged Group's cash reserves if such acquisitions involve cash consideration or if such acquisitions involve share consideration Silvercorp Shareholders (including OreCorp

Shareholders who have received Silvercorp Shares under this Offer) may experience dilution.

The integration of Silvercorp's existing operations with any acquired business may require significant expenditures of time, attention and funds. Achievement of the benefits expected from consolidation may require Silvercorp to incur significant costs in connection with, among other things, implementing financial and planning systems. Silvercorp may not be able to integrate the operations of a recently acquired business or restructure Silvercorp's previously existing business operations without encountering difficulties and delays. In addition, this integration may require significant attention from Silvercorp's management team, which may detract attention from Silvercorp's day-to-day operations.

Over the short-term, difficulties associated with integration could have a material adverse effect on the Merged Group's business, operating results, financial condition and the price of Silvercorp Shares. In addition, the acquisition of mineral properties may subject Silvercorp to unforeseen liabilities, including environmental liabilities, which could have a material adverse effect on the Merged Group. There can be no assurance that any future acquisitions will be successfully integrated into the Merged Group's existing operations.

(i) **The Merged Group's non-controlling interest shareholders could materially affect the Merged Group's results of operations and financial conditions**

Silvercorp's interests in various projects may, in certain circumstances, become subject to the risks normally associated with the conduct of non-controlling interest shareholders. The existence or occurrence of one or more of the following events could have a material adverse impact on Silvercorp's profitability or the viability of its interests held with non-controlling interest shareholders, which could have a material adverse impact on Silvercorp's business prospects, results of operations and financial conditions: (i) disagreements with non-controlling interest shareholders on how to conduct exploration; (ii) inability of non-controlling interest shareholders to meet their obligations to the applicable entity or third parties; and (iii) disputes or litigation between shareholders regarding budgets, development activities, reporting requirements and other matters.

The Government of Tanzania (through the Treasury Registrar) currently holds a 16% non-dilutable free carried interest (the **Free Carried Interest Shares**) in the share capital of Sotta Mining Corporation Limited (**SMCL**). In addition, the Government of Tanzania has a right to acquire, in total, up to 50% of the share capital of SMCL, determined by the total value of the tax expenditures enjoyed by the SMCL. However, relevant legislation also provides that the Government of Tanzania agrees and undertakes that any increase in ownership or economic participation rights by the Government of Tanzania in addition to the 16 percent Free Carried Interest Shares will be by agreement between the parties, and that the Government of Tanzania will not unilaterally seek to increase such ownership or economic participation rights.

(j) **Silvercorp may not successfully acquire additional commercially mineable mineral rights**

Most exploration projects do not result in the discovery of commercially mineable ore deposits and no assurance can be given that any particular level of recovery of Mineral Reserves will be realised or that any identified mineral deposit will ever qualify as a commercially mineable (or viable) ore body which can be legally and economically exploited.

Silvercorp's future growth and productivity will depend, in part, on its ability to identify and acquire additional mineral rights and on the costs and results of continued exploration and development programs. Mineral exploration is highly speculative in nature and is frequently non-productive. Substantial expenditures are required to: establish Mineral Reserves through drilling and metallurgical and other testing

techniques; determine metal content and metallurgical recovery processes to extract metal from the ore; and construct, renovate or expand mining and processing facilities.

In addition, if Silvercorp discovers a mineral deposit, it will likely take at least several years from the initial phases of exploration until production is possible. During this time, the economic feasibility of production may change.

Silvercorp's success at completing any acquisitions will depend on a number of factors, including: identifying acquisitions that fit Silvercorp's business strategy; negotiating acceptable terms with the seller of the business or property to be acquired; and obtaining approval from regulatory authorities in the jurisdictions of the business or property to be acquired. As a result of these uncertainties, there can be no assurance that Silvercorp will successfully acquire additional mineral rights.

(k) If exploration programs are successful, additional financing may be required

Silvercorp has substantial financial resources, however, they are not inexhaustible. If more of the Merged Group's exploration programs are successful in establishing ore of commercial tonnage and grade, additional funds will be required for the development of the ore body and to place it in commercial production. Therefore, the Merged Group's ability to continue its exploration and development activities, if any, will depend in part on Silvercorp's ability to obtain suitable financing.

Silvercorp intends to fund its plan of operations from working capital, proceeds of production, external financing, strategic alliances, sale of property interests and other financing alternatives. The sources of external financing that Silvercorp may use for these purposes include project or bank financing, or public or private offerings of equity or debt. One source of future funds presently available to Silvercorp is through the sale of equity capital. There is no assurance this source of financing will continue to be available as required or on suitable terms, or at all. If it is available, future equity financings may result in substantial dilution to Silvercorp Shareholders (including OreCorp Shareholders who receive Silvercorp Shares under this Offer). Another alternative for the financing of further exploration would be the offering by Silvercorp of an interest in the properties to be earned by another party or parties carrying out further exploration or development thereof. There can be no assurance Silvercorp will be able to conclude any such agreements, on favourable terms or at all. The failure to obtain financing could have a material adverse effect on Silvercorp's growth strategy and results of operations and financial condition.

(l) The Merged Group operates in a highly competitive industry

The mining industry in general is intensely competitive and there is no assurance that a ready market will exist for the sale of ore, or concentrate, by the Merged Group. Marketability of natural resources which may be discovered by the Merged Group will be affected by numerous factors beyond the control of Silvercorp, such as market fluctuations, the proximity and capacity of natural resource markets and processing equipment, government regulations including regulations relating to prices, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of such factors cannot be predicted but they may result in the Merged Group not receiving an adequate return on its capital.

The Merged Group may be at a competitive disadvantage in acquiring additional mining properties because it must compete with other individuals and companies, many of which have greater financial resources, operational experience and technical capabilities than the Merged Group. The Merged Group may also encounter increasing competition from other mining companies in its efforts to hire experienced mining professionals. Competition for exploration resources at all levels is currently very intense, particularly affecting the availability of manpower. Increased competition could adversely affect the Merged Group's ability to attract necessary

capital funding or acquire suitable producing properties or prospects for mineral exploration in the future.

(m) **The Merged Group will rely on third parties, including contract miners, to operate certain of its mines**

Silvercorp contracts with third parties to operate certain of Silvercorp's mines. Under those arrangements, Silvercorp retains certain contractual rights of oversight over these mines, which are operated under Silvercorp's permits or leases, but Silvercorp does not control and Silvercorp's employees do not participate in, the day-to-day operations of these mines. Operational difficulties at these mines, increased competition for contract miners and other factors beyond Silvercorp's control could affect the availability, cost and quality of the Merged Group's operations. If these third parties fail to meet their obligations under those contracts or are otherwise ineffective, it could increase the Merged Group's costs and, therefore, lower the Merged Group's earnings and adversely affect the Merged Group's results of operations.

(n) **Silvercorp's activities in China are subject to additional political, economic and other uncertainties not necessarily present for activities taking place in other jurisdictions**

All Silvercorp's material mining operations are located in China. These operations are subject to the risks normally associated with conducting business in China, which has different regulatory and legal standards than North America or Australia. Some of these risks are more prevalent in countries which are less developed or have emerging economies, including uncertain political and economic environments, as well as risks of civil disturbances or other risks which may limit or disrupt a project, restrict the movement of funds or result in the deprivation of contractual rights or the taking of property by nationalisation or expropriation without fair compensation, risk of adverse changes in laws or policies, increases in foreign taxation or royalty obligations, licence fees, permit fees, delays in obtaining or the inability to obtain necessary governmental permits, limitations on ownership and repatriation of earnings and foreign exchange controls and currency devaluations.

In addition, Silvercorp may face import and export regulations, including export restrictions, disadvantages of competing against companies from countries that are not subject to similar laws, restrictions on the ability to pay dividends offshore and risk of loss due to disease and other potential endemic health issues. Although Silvercorp is not currently experiencing any significant or extraordinary problems in China arising from such risks, there can be no assurance that such problems will not arise in the future. Silvercorp currently does not carry political risk insurance coverage.

Silvercorp's interests in its mineral properties are held through joint venture companies established as Sino-Foreign Cooperative Joint Venture Enterprises under Chinese law. Silvercorp's wholly-owned subsidiaries hold direct ownership interests in those joint venture companies in accordance with the terms of the constitution and the relevant cooperation agreements between Silvercorp's relevant subsidiary and its local joint venture partner(s). These are not derivative or economic interests dependent on contractual arrangements with others. Silvercorp's subsidiaries own direct interests in these Chinese companies and these Chinese companies are the registered holders of Silvercorp's assets (including relevant mining licences).

Silvercorp's joint venture partners in China include state sector entities and, like other state-sector entities, their actions and priorities may be dictated by government policies instead of purely commercial considerations. Additionally, companies with a foreign ownership component operating in China may be required to work within a framework which is different from that imposed on domestic Chinese companies. The Chinese government currently allows foreign investment in certain mining projects under central government guidelines. There can be no assurance that these guidelines will not change in the future.

(o) **The regulatory environment in China may materially affect the Merged Group's results of operations and financial results**

Silvercorp's principal operations are located in China and are subject to a range of Chinese laws, regulations, policies, standards and requirements in relation to, among other things, mine exploration, development, production, taxation, labour standards, occupational health and safety, waste treatment and environmental protection and operation management. Any changes to these laws, regulations, policies, standards and requirements or to the interpretation or enforcement thereof may increase the Merged Group's operating costs and thus adversely affect the Merged Group's results of operations.

The laws of China differ significantly from those of Canada or Australia and all such laws are subject to change. Mining is subject to potential risks and liabilities associated with pollution of the environment and disposal of waste products occurring as a result of mineral exploration and production.

Failure to comply with applicable laws and regulations may result in enforcement actions and may also include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of mining activities and may have civil or criminal fines or penalties imposed for violations of applicable laws and regulations. China's legislation is undergoing a relatively fast transformation with some old laws superseded by newly enacted laws. New laws and regulations, amendments to existing laws and regulations, administrative interpretation of existing laws and regulations, or more stringent enforcement of existing laws and regulations could create risks or uncertainty for investors in mineral projects or have a material adverse impact on future cash flow, results of operations and the financial condition of the Merged Group. Although Silvercorp seeks to comply with all new Chinese laws, regulations, policies, standards and requirements applicable to the mining industry or all changes in existing laws, regulations, policies, standards and requirements, Silvercorp may not be able to comply with them economically or at all. Furthermore, any such new Chinese laws, regulations, policies, standards and requirements or any such change in existing laws, regulations, policies, standards and requirements may also constrain the Merged Group's future expansion plans and adversely affect its profitability.

In addition, China has further strengthened its national security review of foreign investment. The Measures for National Security Review of Foreign Investment will continue to create an additional layer of uncertainty with respect to foreign investment. Investment plans, timetables, terms and conditions for closing for investment must take into account the timing and contingency of obtaining approval from the national security review process.

(p) **Sovereign risk - Tanzania**

Given the location of OreCorp's Nyanzaga Project, the Merged Group will also be subject to the risks associated with operating in Tanzania. There are risks attached to exploration and mining activities in a developing country like Tanzania which are not necessarily present in developed countries like Australia or Canada. These risks may include economic, social or political instability, hyperinflation, currency non-convertibility or instability and changes of (or the interpretation of) law affecting foreign ownership, government participation, taxation, working conditions, rates of exchange, exchange control, exploration licensing, export duties, repatriation of income or return of capital, environmental protection, labour relations as well as governmental control over natural resources or government regulations that require the employment of local staff or contractors or require other benefits to be provided to local residents.

Tanzania has enacted substantive changes in its mining laws in recent years, and the full impact of these is yet to be demonstrated in practice. Tanzania's legal system is

also less developed than more established countries (including with respect to the degree of experience held by the judiciary) which could give rise to difficulties in obtaining effective legal redress against governmental entities or private parties. There may also be a higher degree of discretion held by various government officials or agencies, a lack of political or administrative guidance on implementing applicable law and regulations (particularly in relation to taxation and property rights) and inconsistencies or conflicts between and within various laws, regulations, decrees, orders and resolutions. Relatedly, there is a risk that local businesses, government officials and the judiciary will not adhere to the legal terms of negotiated agreements and authorisations including those granted in respect of the Nyanzaga Project. Such agreements and authorisations may be open to revision or cancellation and legal redress may be uncertain or delayed, undermining their effectiveness.

There is also a risk that the government and regulatory environment will not remain conducive to foreign investment, which would negatively impact the Merged Group's ability to carry out its activities as currently contemplated. There are also risks associated with the implementation and maintenance of an effective internal control and risk management systems and good corporate governance principles, having regard to the separation of executive management and the Merged Group's Board from the location of the Nyanzaga Project and the resulting need to rely on consultants and professional advisers in those jurisdictions

(q) **The Merged Group is subject to environmental and health and safety laws, regulations and permits that may subject the Merged Group to material costs, liabilities and obligations**

Silvercorp's activities are subject to extensive laws and regulations governing environmental protection and employee health and safety, including environmental laws and regulations in China. These laws address emissions into the air, discharges into water, management of waste, management of hazardous substances, protection of natural resources, antiquities and endangered species and reclamation of lands disturbed by mining operations. Silvercorp's Chinese subsidiaries are required to have been issued environmental permits and safety production permits with various expiration dates. These permits are also subject to annual inspection by government authorities. Failure to pass the annual inspections may result in penalties.

Environmental and health and safety laws in Tanzania are also strict. Every activity from exploration through to development and mining requires compliance with regulations for environmental protection. The Merged Group will require various government approvals and permits in Tanzania from time to time in connection with various aspects of its activities.

No guarantee can be given that the necessary permits will be issued to the Merged Group or, if they are issued, that they will be renewed, or if renewed under reasonable operational and/or financial terms, or in a timely manner, or that the Merged Group will be in a position to comply with all conditions that are imposed. Failure to comply with relevant environmental laws and regulations could materially and adversely affect the Merged Group's business and results of operations.

Nearly all mining projects require government approval and permits relating to environmental, social, land and water usage, community matters and other matters.

There are also laws and regulations prescribing reclamation activities on some mining properties. Environmental legislation in many countries, including China and Tanzania, is evolving and the trend has been toward stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and increasing responsibility for companies and their officers, directors and employees. Compliance with environmental laws and regulations may require significant capital outlays on behalf of Silvercorp and may cause material changes or delays in the Merged Group's intended activities. There can be no assurance that Silvercorp has been or will be at

all times in complete compliance with current and future environmental and health and safety laws and the status of permits will not materially adversely affect the Merged Group's business, results of operations or financial condition. Amendments to current Chinese laws and regulations governing operations and activities of mining companies or more stringent implementation thereof could have a material adverse impact on the Merged Group and cause increases in capital expenditure, production costs or reductions in levels of production at producing properties or require abandonment or delays in the development of new mining properties. It is possible that future changes in these laws or regulations could have a significant adverse impact on some portion of the Merged Group's business, causing Silvercorp to re-evaluate those activities at that time. Silvercorp's compliance with environmental laws and regulations entail uncertain costs.

(r) **The Merged Group is dependent on management and key personnel**

Silvercorp's CEO and Chairman and Silvercorp's operational management team all have extensive experience in the mineral resources industry in China. Most of the non-executive directors also have extensive experience in mining and/or exploration (or as advisors to companies in the field). Silvercorp's success depends to a significant extent upon its ability to retain, attract and train key management personnel, both in Canada and in China.

The Merged Group will depend on the services of several key personnel, including the CEO, CFO and the China operational management team, the loss of any one of whom could have an adverse effect on the Merged Group's operations.

The Merged Group's ability to manage growth effectively will require it to continue to implement and improve management systems and to recruit and train new employees. The Merged Group cannot be assured that it will be successful in attracting and retaining skilled and experienced personnel.

(s) **Currency fluctuations may affect the Merged Group's results of operation and financial condition**

Silvercorp reports its financial statements in U.S. dollars. The functional currency of the head office, Canadian subsidiaries and all intermediate holding companies is the Canadian dollar while the functional currency of all Chinese subsidiaries is Chinese Renminbi. The functional currency of the OreCorp's Tanzanian subsidiaries is the US dollar. The Merged Group will be exposed to foreign exchange risk when Silvercorp undertakes transactions and holds assets and liabilities in currencies other than its functional currencies. The fluctuation of the exchange rate between the reporting currency and its functional currencies may materially and adversely affect the Merged Group's financial position.

(t) **The Merged Group's insurance may not provide adequate coverage in the event of a loss**

The Merged Group's mining activities are subject to the risks normally inherent in the industry, including but not limited, to environmental hazards, flooding, fire, periodic or seasonal hazardous climate and weather conditions, unexpected rock formations, industrial accidents and metallurgical and other processing problems. These risks could result in damage to, or destruction of, mineral properties, production facilities or other properties; personal injury; environmental damage; delays in mining; increased production costs; monetary losses; and possible legal liability. The Merged Group may become subject to liability which it cannot insure or may elect not to insure due to high premium costs or other reasons. Where considered practical to do so, Silvercorp maintains insurance against risks in the operation of its business in amounts which Silvercorp believes to be reasonable. Such insurance, however, contains exclusions and limitations on coverage. Silvercorp cannot provide any assurance that such insurance will continue to be available, be available at economically acceptable premiums or be adequate to cover any resulting liability. In

some cases, coverage is not available or considered too expensive relative to the perceived risk.

(u) **The Merged Group's operations involve significant risks and hazards inherent to the mining industry**

Mining is inherently dangerous and the Merged Group's operations are subject to a number of risks and hazards including: environmental hazards; discharge of pollutants or hazardous chemicals; industrial accidents; failure of processing and mining equipment; labour disputes; supply problems and delays; encountering unusual or unexpected geologic formations or other geological or grade problems; encountering unanticipated ground or water conditions; cave-ins, pit wall failures, flooding, rock bursts and fire; periodic interruptions due to inclement or hazardous weather conditions; equipment breakdown; other unanticipated difficulties or interruptions in development, construction or production; other acts of God or unfavourable operating conditions; and health and safety risks associated with spread of COVID-19 pandemic and any future emergence and spread of similar pathogens.

Such risks could result in damage to, or destruction of, mineral properties or processing facilities, personal injury or death, loss of key employees, environmental damage, delays in mining, monetary losses and possible legal liability. Satisfying such liabilities may be very costly and could have a material adverse effect on the Merged Group's future cash flow, results of operations and financial condition.

(v) **Silvercorp's directors and officers may have conflicts of interest as a result of their relationships with other mining companies that are not affiliated with Silvercorp**

Conflicts of interest may arise as a result of the directors and officers of Silvercorp also holding positions as directors and/or officers of other companies. Some of those persons who are directors and officers of Silvercorp have and will continue to be engaged in the identification and evaluation of assets and business opportunities and companies on their own behalf and on behalf of other companies and situations may arise where the directors and officers may be in direct competition with Silvercorp. Conflicts, if any, will be subject to the procedures and remedies under the Business Corporations Act.

(w) **If Silvercorp is unable to implement and maintain effective internal controls over financial reporting, investors may lose confidence in the accuracy and completeness of Silvercorp's financial reports**

Management and directors of Silvercorp are responsible for establishing and maintaining an adequate system of internal control over financial reporting and used the Internal Control – Integrated Framework (2013) issued by the COSO to evaluate, with the participation of the CEO and CFO, the effectiveness of internal controls. Silvercorp's internal control over financial reporting includes:

- maintaining records, that in reasonable detail, accurately and fairly reflect Silvercorp's transactions and dispositions of the assets of Silvercorp;
- providing reasonable assurance that transactions are recorded as necessary for preparation of Silvercorp's consolidated financial statements in accordance with generally accepted accounting principles;
- providing reasonable assurance that receipts and expenditures are made in accordance with authorisations of management and the directors of Silvercorp; and
- providing reasonable assurance that unauthorised acquisition, use or disposition of company assets that could have a material effect on

Silvercorp's consolidated financial statements would be prevented or detected on a timely basis.

Based on this evaluation, Silvercorp believes it has a proper internal control and risk management system in place. Silvercorp concluded that its internal control over financial reporting based on the criteria set forth in Internal Control – Integrated Framework (2013) issued by COSO was effective as of 31 March 2023 and provided a reasonable assurance of the reliability of Silvercorp's financial reporting and preparation of the financial statements.

No matter how well a system of internal control over financial reporting is designed, any system has inherent limitations. Even systems determined to be effective can provide only reasonable assurance of the reliability of financial statement preparation and presentation. Also, controls may become inadequate in the future because of changes in conditions or deterioration in the degree of compliance with Silvercorp's policies and procedures. In addition, as some of the risk management and internal control policies and procedures are relatively new, Silvercorp may need to establish and implement additional policies and procedures to further improve Silvercorp's systems from time to time. Since Silvercorp's risk management and internal controls depend on implementation by Silvercorp employees, there is a risk that such implementation will involve human errors or mistakes. If Silvercorp fails to implement its policies and procedures in a timely manner or fails to identify risks that affect the Merged Group's business, the Merged Group's business, results of operations and financial condition could be materially and adversely affected.

The failure to achieve and maintain the adequacy of Silvercorp's internal control over financial reporting on a timely basis could result in the loss of investor confidence in the reliability of the financial statements, which in turn could harm the business and negatively impact the trading price of shares. In addition, any failure to implement the required new or improved controls, or difficulties encountered in their implementation, could harm the operating results or cause failure in meeting the reporting obligations. There can be no assurance that Silvercorp will be able to remediate material weaknesses, if any, identified in future periods, or maintain all of the controls necessary for continued compliance and there can be no assurance that Silvercorp will be able to retain sufficient skilled finance and accounting personnel, especially in light of the increased demand for such personnel among publicly traded companies. Future acquisitions of companies may provide Silvercorp with challenges in implementing the required processes, procedures and controls in the acquired operations. Acquired companies may not have disclosure controls and procedures or internal control over financial reporting that are as thorough or effective as those required by securities laws currently applicable to Silvercorp.

(x) Silvercorp may be subject to regulatory investigations, claims and legal proceedings that could materially and adversely impact the Merged Group's business, financial condition or results of operations

Due to the nature of its business, Silvercorp may be subject to numerous regulatory investigations, claims, lawsuits and other proceedings in the ordinary course of its business. The results of these legal proceedings cannot be predicted with certainty due to the uncertainty inherent in litigation, including the discovery of evidence process, the difficulty of predicting decisions of judges and juries and the possibility that decisions may be reversed on appeal. There can be no assurances that these matters will not have a material adverse effect on the Merged Group's business.

No assurance can be given with respect to the ultimate outcome of current or future litigation or regulatory proceedings and the amount of any damages awarded, or penalties assessed in such a proceeding could be substantial. In addition to monetary damages and penalties, the allegations made in connection with the proceedings may have a material adverse effect on the reputation of Silvercorp and may impact its ability to conduct operations in the normal course.

Litigation and regulatory proceedings also require significant resources to be expended by the directors, officers and employees of Silvercorp and as a result, the diversion of such resources could materially affect the ability of Silvercorp to conduct its operations in the normal course of business. Significant fees and expenses may be incurred by Silvercorp in connection with the investigation and defence of litigation and regulatory proceedings. Silvercorp may also be obligated to indemnify certain directors, officers, employees and experts for additional legal and other expenses pursuant to such proceedings, which additional costs may be substantial and could have a negative effect on Silvercorp's future operating results. Silvercorp may be able to recover certain costs and expenses incurred in connection with such matters from its insurer. However, there can be no assurance regarding when or if the insurer will reimburse Silvercorp for such costs and expenses.

(y) **Silvercorp's investment in New Pacific Metals is subject to a number of risks and may prove unprofitable**

Silvercorp is a strategic investor in New Pacific Metals. As of 30 September 2023, Silvercorp owned 46,893,506 shares of New Pacific Metals, representing a 27.5% ownership interest. New Pacific Metals is a mining company engaged in exploring and developing mineral properties in Bolivia. Investments in junior mining companies involve volatile share prices, liquidity risk and may result in possible loss of principal. New Pacific Metals has no revenue from operations and no ongoing mining operations of any kind.

Resource exploration and development is a speculative business and involves a high degree of risk, including, among other things, unprofitable efforts resulting both from the failure to discover mineral deposits and from finding mineral deposits which, though present, are insufficient in size and grade at the then prevailing market conditions to return a profit from production. The marketability of natural resources which may be acquired or discovered by New Pacific Metals will be affected by numerous factors beyond the control of New Pacific Metals. These factors include market fluctuations, the proximity and capacity of natural resource markets and government regulations, including regulations relating to prices, taxes, royalties, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in Silvercorp not receiving an adequate return on invested capital or the possible loss of principal.

Substantial expenditures are required to establish ore reserves through drilling, metallurgical and other testing techniques, determine metal content and metallurgical recovery processes to extract metal from the ore and construct, renovate, or expand mining and processing facilities. No assurance can be given that any level of recovery of ore reserves will be realised or that any identified mineral deposit, even if it is established to contain an estimated resource, will ever qualify as a commercial mineable ore body, which can be legally and economically exploited.

In addition to the high degree of risk associated with investing in exploration and development mining companies, Silvercorp's investment in New Pacific Metals entails an additional risk by virtue of the fact that its projects are located in Bolivia. There has been a significant level of political and social unrest in Bolivia in recent years resulting from a number of factors, including Bolivia's history of political and economic instability under a variety of governments and high rate of unemployment. New Pacific Metals' exploration and development activities may be affected by changes in government, political instability and the nature of various government regulations relating to the mining industry. Bolivia's fiscal regime has historically been favourable to the mining industry, but there is a risk that this could change. New Pacific Metals cannot predict the Bolivian government's positions on foreign investment, mining concessions, land tenure, environmental regulation, or taxation. A change in the Bolivian government positions on these issues could adversely affect New Pacific Metals' business and/or its holdings, assets and operations in Bolivia. Any changes in regulations or shifts in political conditions are beyond the control of New Pacific

Metals. Moreover, protestors and cooperatives have previously targeted foreign companies in the mining sector and as a result there is no assurance that future social unrest will not have an adverse impact on Silvercorp's operations. Labour in Bolivia is customarily unionised and there are risks that labour unrest or wage agreements may impact operations. New Pacific Metals' operations in Bolivia may also be adversely affected by economic uncertainty characteristic of developing countries. In addition, operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, export controls, currency remittance, income taxes, expropriation of property, foreign investment, maintenance of claims, environmental legislation, land use, land claims of local people, water use and safety factors. There is no assurance that New Pacific Metals will be successful in obtaining ratification and approval by the Pluractional Legislative Assemble of Bolivia on the mining production contract it signed with Corporación Minera de Bolivia (COMIBOL) in a timely manner or at all, or that they will be obtained on reasonable terms. New Pacific Metals cannot predict the Bolivian government's positions on foreign investment, mining concessions, land tenure, environmental regulation, community relations, or taxation. A change in the Bolivian government positions on these issues could adversely affect the ratification of the mining production contract and New Pacific Metals' business.

Exploration and development of and production from, any deposits at New Pacific Metals' mineral projects require permits from various government authorities. There can be no assurance that any required permits will be obtained in a timely manner or at all, or on reasonable terms. Delays or failure to obtain, expiry of, or a failure to comply with the terms of such permits could prohibit development of New Pacific Metals' mineral projects and have a material adverse impact on New Pacific Metals.

While New Pacific Metals believes the contractual relationships and the structures it has in place with private Bolivian companies owned 100% by Bolivian nationals for the Silverstrike Project and the Carangas Project are legally compliant with Bolivian laws related to the Frontier Areas, there is no assurance that the New Pacific Metals Bolivian partner will be successful in obtaining approval of Autoridad Jurisdiccional Administrativa Minera to convert the exploration licences to Administrative Mining Contract (Contrato Administrativo Minero) in the case of Carangas Project, or that even if approved, that such contractual relationship and structure will not be challenged by other Bolivian organizations or communities.

(z) **Silvercorp's information technology systems may be vulnerable to disruption, which could place Silvercorp's systems at risk for data loss, operational failure or compromise of confidential information**

Silvercorp is subject to cybersecurity risks including unauthorised access to privileged information, destroy data or disable, degrade or sabotage Silvercorp's systems, including through the introduction of computer viruses. Although Silvercorp takes steps to secure Silvercorp's configurations and manage Silvercorp's information system, including Silvercorp's computer systems, internet sites, emails and other telecommunications and financial/geological data, there can be no assurance that measures Silvercorp takes to ensure the integrity of Silvercorp's systems will provide adequate protection, especially because cyberattack techniques used change frequently or are not recognised until successful. Silvercorp has not experienced any material cybersecurity incident in the past, but there can be no assurance that Silvercorp would not experience in the future. If Silvercorp's systems are compromised, do not operate properly or are disable, Silvercorp could suffer financial loss, disruption of business, loss of geology data which could affect Silvercorp's ability to conduct effective mine planning and accurate mineral resources estimates, loss of financial data which could affect Silvercorp's ability to provide accurate and timely financial reporting.

10.3 Risks relating to the Offer and the creation of the Merged Group

(a) Issue of Silvercorp Shares

Under the Offer, Silvercorp will offer a significant number of Silvercorp Shares to OreCorp Shareholders. As a result, the value of the consideration will fluctuate depending upon the value of Silvercorp Shares. If current OreCorp Shareholders or current Silvercorp Shareholders do not wish to hold Silvercorp Shares and seek to sell them, this may adversely affect the value of Silvercorp Shares.

Further, a Nominee appointed by Silvercorp (and approved by ASIC) will be issued any Silvercorp Shares attributable under the Offer to Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders, and will sell them in accordance with the terms of the Offer. If there is a significant number of Silvercorp Shares held by Ineligible Foreign Shareholders or Unmarketable Parcel Shareholders (resulting in a significant number of Silvercorp Shares being sold by the Nominee), the price at which Silvercorp Shares are traded on the TSX or NYSE American may be adversely affected. However, based on the information available to Silvercorp as at the date of this Bidder's Statement, Silvercorp does not anticipate this effect to be material as there are only limited number of Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders as at the date of this Bidder's Statement.

(b) Fluctuation in the market value of Silvercorp's Shares

OreCorp Shareholders are being offered the Offer Consideration under the Offer that consists of a specified number of Silvercorp Shares (rather than a number of Silvercorp Shares with a specified market value). The market value of Silvercorp Shares at the time at which they are received by OreCorp Shareholders may vary from their market value on the date that OreCorp Shareholders accept the Offer.

Accordingly, market fluctuations could affect the value of the Consideration paid under the Offer and the value of an accepting OreCorp Shareholder's investment in Silvercorp. Silvercorp is not obliged to make any adjustment in the consideration payable under the Offer if the value of Silvercorp Shares changes during the Offer Period.

(c) Uncertainty in relation to "no material adverse change" Offer Condition

The Offer Condition in paragraph (d) of Appendix 2 ("no material adverse change") contains quantitative monetary thresholds. However, it is also, in subparagraph (iv), referable to what "has or could reasonably be expected to have a material adverse effect on the business, assets, liabilities, financial or trading position, profitability or prospects of the OreCorp Group taken as a whole". This subparagraph is therefore subject to subjective thresholds as it does not provide for a specific quantitative threshold that it can be measured against. Accordingly, it is possible that there could be a dispute over the existence of an alleged material adverse change. This could result in the Offer Condition not being satisfied.

~~(e)~~(d) Triggering change in control provisions

Silvercorp is not aware of any pre-emptive rights or change of control provisions affecting OreCorp's assets or agreements (except for certain employment agreements with senior management of OreCorp and the potential for an indirect disposal tax to be applied to a change of control in SMCL under the Tanzanian Income Tax Act R.E. 2019) which would be triggered by Silvercorp obtaining control of OreCorp. However, OreCorp may be a party to agreements that contain pre-emptive rights or change of control provisions that may be triggered if the Silvercorp acquires OreCorp Shares representing a majority of the voting rights of OreCorp. The operation of these pre-emptive rights or change of control provisions (if triggered) could have negative consequences, including requiring OreCorp to renegotiate its financings, or sell joint venture interests. These provisions may be waived with the consent of the other party and Silvercorp would consider seeking such waivers if it

discovered that pre-emptive rights or change of control provisions affecting OreCorp's assets or agreements would be triggered upon Silvercorp obtaining control of OreCorp. In the absence of these waivers, the operation of any of these change of control or pre-emptive right provisions could adversely affect the operations of the Merged Group.

~~(d)~~(e) **Merger integration risks**

Silvercorp intends, to the extent possible, to seek to integrate OreCorp's operations within Silvercorp so as to maximise operational synergies as well as eliminating a range of duplicated effort and costs. The extent to which these synergy benefits and cost savings are realisable depends upon a range of factors including the level of acceptances received under the Offer. While Silvercorp expects that value can be added through the transaction, there is a risk that implementation of the transaction may involve:

- (i) unexpected delays, liabilities and costs in relation, but not limited, to integrating operating and management systems;
- (ii) the loss of key employees or suppliers of OreCorp; and
- (iii) the termination of contractual arrangements as a result of the change in control of OreCorp.

If the integration is not achieved in an orderly fashion and within a reasonable time period, the full benefits, cost savings and other expected synergies may be achieved only in part, or not at all, and this could adversely impact the Merged Group's financial performance.

There are risks associated with conducting the business activities and operations previously operated by a different entity. For example, Silvercorp has not previously conducted operations in Tanzania (with its primary operations located in China). The risk also exists that the implementation of the integration of OreCorp and Silvercorp may take longer than expected so that integration is achieved over a longer time period than expected. Each of these factors may impact on the Merged Group's financial performance.

The Merged Group will continue Silvercorp's corporate strategies and operational objectives. There is the risk that the Merged Group may be unable to realise these strategies, operational objectives and benefits (in whole or in part) or that they will not materialise, or will not materialise to the extent that the Merged Group anticipates (for whatever reason, including matters beyond the control of the Merged Group), or that the realisation of the strategies, operational objectives and benefits are delayed. Any failure to meet these strategies, operational objectives and benefits, or delay in realising these strategies, operational objectives and benefits, could have an adverse impact on the Merged Group's operations, financial performance and financial position, including the potential for any share price re-rating.

~~(e)~~(f) **Loss of key staff**

The Merged Group's operations will be dependent upon the continued performance, efforts, abilities and expertise of its key personnel. There are no guarantees that the Merged Group will be able to retain these employees or that it will be able to prevent them from competing with the Merged Group in the event of their departure.

~~(f)~~(g) **Uncertainty in dealing in the Tanzania operating environment**

The operating environment in Tanzania is significantly different than Silvercorp's current operating environments. Silvercorp may incur greater than anticipated problems in adjusting to the operating environment in Tanzania and it may take

longer than anticipated to become familiar with the Tanzanian operating environment. This may affect the future earnings performance of the Merged Group.

~~(g)~~(h) **Less than 90% ownership in OreCorp**

If the Offer results in Silvercorp being entitled to a Relevant Interest in at least 90% of OreCorp Shares, Silvercorp will be able to compulsorily acquire the balance of OreCorp Shares so that OreCorp will become a wholly-owned subsidiary of Silvercorp. Silvercorp reserves its rights to declare the Offer free from the Minimum Acceptance Condition (or any other Offer Condition).

However, if Silvercorp receives acceptances to attain a Relevant Interest in at least 50% of OreCorp Shares but is not able to proceed to compulsory acquisition, the non-accepting OreCorp Shareholders will retain their OreCorp Shares so that OreCorp will not be a wholly-owned subsidiary of Silvercorp. If this occurs, the Merged Group's ability to deal with the assets of OreCorp will be constrained and there will be further associated costs of having minority securityholders.

~~(h)~~(i) **Minority shareholders in OreCorp**

If you do not accept the Offer and the Offer becomes unconditional you may, depending on the level of acceptance of the Offer, become part of a locked-in minority in OreCorp. In such a case, the liquidity of OreCorp Shares may be materially diminished (and consequently, OreCorp Shares may trade below their current pricing levels or the implied value of the Offer).

~~(i)~~(j) **Taxation risks**

The taxation consequences and risks of the Offer depend upon the specific circumstances of each OreCorp Shareholders. A general outline of possible Australian taxation consequences of accepting the Offer is set out in section 11.

OreCorp Shareholders should obtain their own independent professional taxation advice regarding the applicable law in respect of the Offer.

~~(j)~~(k) **Business disruption**

Parties with whom OreCorp and Silvercorp do business may experience uncertainty associated with the Offer, including with respect to current or future business relationships with OreCorp, Silvercorp or the Merged Group. OreCorp's and Silvercorp's relationships may be subject to disruption as customers and suppliers and other persons with whom OreCorp and Silvercorp have a business relationship may delay or defer certain business decisions or might decide to seek to terminate, change or renegotiate their relationships with OreCorp or Silvercorp, as applicable, or consider entering into business relationships with parties other than OreCorp or Silvercorp. These disruptions could have an adverse effect on the results of operations, cash flows and financial position of the Merged Group, including an adverse effect on Silvercorp's ability to realise the expected synergies and other benefits of the Offer.

~~(k)~~(l) **Transaction costs**

OreCorp and Silvercorp expect to incur significant costs associated with the Offer and combining their operations. The Merged Group's fees and expenses related to the Offer include financial adviser fees, filing fees, legal and accounting fees and regulatory fees some of which will be paid regardless of whether the Offer Conditions are satisfied or waived. The Merged Group's costs in connection with the integration of OreCorp and Silvercorp are difficult to predict before the integration process begins, and the Merged Group may incur unanticipated costs as a consequence of difficulties arising from its integration efforts.

~~(H)~~(m) **Due diligence**

Before executing the Scheme Implementation Deed, OreCorp and Silvercorp undertook a period of mutual due diligence for the purpose of evaluating the merits and negotiating the terms of the Offer. Although OreCorp and Silvercorp decided to proceed with the Scheme and then the Offer following that due diligence exercise, there is a risk that the due diligence undertaken was insufficient or failed to identify or appreciate the impact of key issues or identify all liabilities of either OreCorp or Silvercorp. These liabilities, and any additional risks and uncertainties related to the Offer not currently known to Silvercorp or that Silvercorp may currently deem immaterial or unlikely to occur, could negatively impact the Merged Group's business, financial position and results from operations.

~~(m)~~(n) **Potential liabilities**

Integration of OreCorp and Silvercorp may pose special risks, including write-offs or restructuring charges, unanticipated costs, and the loss of key employees. There can be no assurance that the integration will be accomplished effectively or in a timely manner. In addition, the integration of OreCorp will subject Silvercorp to liabilities (including potential tax liabilities) that may exist at OreCorp or may arise in connection with the completion of the Offer, some of which may be unknown or difficult to quantify. For example, refer section 8.7(f) of this Bidder's Statement which details the possibility of a capital gains tax payable under Tanzanian legislation.

Although Silvercorp and its advisers have conducted due diligence on the operations of OreCorp, there can be no guarantee that Silvercorp is aware of all liabilities of OreCorp. These liabilities, and any additional risks and uncertainties related to the Offer not currently known to Silvercorp or that Silvercorp may currently deem immaterial or unlikely to occur, could negatively impact the Merged Group's business, financial condition and results of operations.

~~(n)~~(o) **Silvercorp is a foreign company and a foreign issuer**

Silvercorp, as the holding company of the Merged Group, is incorporated under the laws of the province of British Columbia and is listed on TSX and NYSE American. Accordingly, Silvercorp is subject to foreign corporations and securities laws (including as to corporate governance requirements), which may differ from the corresponding laws that are applicable to companies in an investor's place of residence (including Australia).

It may be more difficult for shareholders to enforce their legal rights against the Merged Group (which will be organised and managed outside of Australia) than if the Merged Group was organised, managed and resident solely in Australia. Additionally, the common law and statutory rights of shareholders under the laws of Canada and the United States may be more limited or less favourable than corresponding rights available to shareholders under Australian law.

Silvercorp is a US issuer and is required to prepare and submit its periodic and other filings in accordance with US securities laws. As a result, certain information about Silvercorp that is contained in this Bidder's Statement has been prepared in accordance with US disclosure regulations, rather than the requirements that would apply to issuers in Australia, such as OreCorp. US disclosure requirements are different from Australian requirements, and as such, the information about Silvercorp contained in this Bidder's Statement may not be comparable to similar information available about OreCorp or other Australian issuers.

Whilst the political climate in Canada and British Columbia has been stable for many years, there can be no assurance that changing social, economic and political conditions will not adversely affect the operations of the Merged Group in the future.

(e)(p) Pro-forma financial information may not be indicative of actual the actual financial condition of the Merged Group

The Pro Forma Historical Financial Information for the Merged Group contained in this Bidder's Statement is presented for illustrative purposes only and may not be indicative of Silvercorp's financial condition or results of operations following the Offer for a number of reasons. For example, the Pro Forma Historical Financial Information for the Merged Group has been derived from the historical financial statements of Silvercorp and OreCorp and certain adjustments and assumptions have been made regarding Silvercorp following the Offer. The information that forms the basis of these adjustments and assumptions is preliminary, and these kinds of adjustments and assumptions are difficult to make with complete accuracy.

Further, the Pro Forma Historical Financial Information for the Merged Group does not include all of the costs that are expected to be incurred by Silvercorp in connection with the Offer. For example, the impact of any incremental costs that are incurred in relation to the integration of Silvercorp and OreCorp is not reflected in the Pro Forma Historical Financial Information for the Merged Group.

Accordingly, the actual financial condition and results of operations of the Merged Group may not be consistent with, or evident from, the Pro Forma Historical Financial Information for the Merged Group. Additionally, the purchase price used in preparing the Pro Forma Historical Financial Information for the Merged Group is based on the closing market price of Silvercorp Shares, as well as the AUD:CAD exchange rate, as of 22 December 2023, which may be materially different from the closing price of Silvercorp Shares and the AUD:CAD exchange rate when Silvercorp Shares are issued to OreCorp Shareholders under the Offer.

The assumptions used in preparing the Pro Forma Historical Financial Information for the Merged Group may not prove to be accurate, and other factors may affect the financial condition or results of operations of Silvercorp following Offer. The price of Silvercorp Shares may be adversely affected if Silvercorp's actual financial results fall short of the historical financial results reflected in the Pro Forma Historical Financial Information for the Merged Group that are contained in this Bidder's Statement.

10.4 General risks

(a) Market and general economic conditions may adversely affect the Merged Group's results of operations and financial condition

Many industries, including the mining industry, are impacted by market conditions. Some of the key impacts of the recent financial market turmoil include risks relating to COVID-19, contraction in credit markets resulting in a widening of credit risk, devaluations and high volatility in global equity, commodity, foreign exchange and precious metals markets and a lack of market liquidity. Adverse changes in macroeconomic conditions, including global and country-by-country economic growth, the costs and general availability of credit, the level of inflation, interest rates, exchange rates, government policy (including fiscal, monetary and regulatory policies), general consumption, consumer spending and sentiment, employment levels, industrial disruption, fuel and energy costs, consumer debt levels and the state of the financial markets may adversely affect the Merged Group's growth and profitability. In particular, the volatility of silver, lead, zinc and gold prices may impact the Merged Group's revenues, profits, losses and cash flow; volatile energy prices, commodity and consumable prices and currency exchange rates would impact the Merged Group's production costs; and the devaluation and volatility of global stock markets may impact the valuation of Silvercorp's equity and other securities. These factors could have a material adverse effect on the Merged Group's financial condition and results of operations.

(b) Equity dilution

The Merged Group may undertake offerings of equities in the future. Factors including the increase in the number of fully paid shares issued, the ability of an individual shareholder to participate in the equity offer and the issue price and the possibility of selling such equities, may have an adverse effect on the financial position or voting power of any individual shareholder.

(c) **Tax**

A change to the current tax regime may affect shareholders in the Merged Group. Personal tax liabilities will be the responsibility of each investor in the Merged Group. The Merged Group will not be responsible for tax or penalties incurred by investors in the Merged Group.

(d) **Change in accounting or financial reporting standards**

Accounting and financial reporting standards are outside the Merged Group's control. Changes to accounting standards or changes to any other financial reporting standards could materially adversely affect the financial performance and position reported in the Merged Group's financial statements.

(e) **The Merged Group's activities and business could be adversely affected by the effects of health epidemics, including the COVID-19 pandemic, in regions where the Merged Group conducts its business operations**

The Merged Group's business, operations and financial condition could be materially adversely affected by the outbreak of pandemics or other health crises, such as the outbreak of COVID-19. Any future emergence and spread of similar pathogens could have an adverse impact on global economic conditions which may adversely impact the Merged Group's operations and the operations of suppliers, contractors and service providers.

On 5 May 2023, WHO announced that COVID-19 no longer qualifies as a global emergency and as at the date of this Bidder's Statement, the global spread of COVID-19 appears to have stabilised. Silvercorp has modified its measures to monitor, combat and manage the impact of COVID-19 at its operations. Due to the potential for new variants of COVID-19, future disruptions to business internationally and related financial impact on the Merged Group and the economy in general cannot be estimated with any degree of certainty at this time.

In the fiscal year ended 31 March 2023, Silvercorp modified its preventative control measures. These measures include continuing education and, where appropriate, voluntary vaccination campaigns to avoid illnesses related to COVID-19, COVID-19 variants and the seasonal flu. Monitoring of worker wellness or fitness for duty continues, in accordance with the recommendations by the Canadian and Chinese Governments health agencies, continues.

There is no guarantee that the Merged Group will not experience disruptions to some of its active mining operations due to COVID-19 restrictions in the future. Any resurgence of COVID-19 or the spread of other public health crises could materially and adversely impact the Merged Group's business, including without limitation, employee health, workforce availability and productivity, limitations on travel, supply chain disruptions, increased insurance premiums, increased costs and reduced efficiencies, the availability of industry experts and personnel, restrictions on the Merged Group's exploration and drilling programs and/or the timing to process drill and other metallurgical testing and the slowdown or temporary suspension of operations at some or all of the Merged Group's properties, resulting in reduced production volumes. Although Silvercorp has the capacity to continue certain administrative functions remotely, many other functions, including mining operations, cannot be conducted remotely. Any such disruptions could have an adverse effect on the Merged Group's production, revenue, net income and business.

(f) **The Merged' Group's operations and financial results could be adversely affected by climate change**

There is significant evidence of the effects of climate change on the planet and an intensifying focus on addressing these issues. Silvercorp recognises that climate change is a global challenge that may have both favourable and adverse effects on the Merged Group's business in a range of possible ways. Mining and processing operations are energy intensive and result in a carbon footprint either directly or through the purchase of fossil-fuel based electricity. As such, the Merged Group is impacted by current and emerging policy and regulation relating to greenhouse gas emission levels, energy efficiency and reporting of climate-change related risks. While some of the costs associated with reducing emissions may be offset by increased energy efficiency, technological innovation or the increased demand for the Merged Group's metals as part of technological innovations, the current regulatory trend may result in additional transition costs at some of the Merged Group's operations. Governments are introducing climate change legislation and treaties at the international, national and local levels and regulations relating to emission levels and energy efficiency are evolving and becoming more rigorous. Current laws and regulatory requirements are not consistent across the jurisdictions in which the Merged Group operates and regulatory uncertainty is likely to result in additional complexity and cost in the Merged Group's compliance efforts. Public perception of mining is, in some respects, negative and there is increasing pressure to curtail mining in many jurisdictions as a result, in part, of perceived adverse effects of mining on the environment.

Concerns around climate change may also affect the market price of Silvercorp Shares as institutional investors and others may divest interests in industries that are thought to have more environmental impacts. While Silvercorp is committed to operating responsibly and reducing the negative effects of the Merged Group's operations on the environment, the Merged Group's ability to reduce emissions, energy and water usage by increasing efficiency and by adopting new innovation is constrained by technological advancement, operational factors and economics. Adoption of new technologies, the use of renewable energy and infrastructure and operational changes necessary to reduce water usage may also increase the Merged Group's costs significantly. Concerns over climate change and Silvercorp's ability to respond to regulatory requirements and societal pressures, may have significant impacts on the Merged Group's operations and on Silvercorp's reputation and may even result in reduced demand for the Merged Group's products.

The physical risks of climate change could also adversely impact the Merged Group's operations. These risks include, among other things, extreme weather events, resource shortages, changes in rainfall and in storm patterns and intensities, water shortages, changing sea levels and extreme temperatures. Climate-related events such as mudslides, floods, droughts and fires can have significant impacts, directly and indirectly, on the Merged Group's operations and could result in damage to the Merged Group's facilities, disruptions in accessing the Merged Group's sites with labour and essential materials or in shipping products from the Merged Group's mines, risks to the safety and security of the Merged Group's personnel and to communities, shortages of required supplies such as fuel and chemicals, inability to source enough water to supply the Merged Group's operations and the temporary or permanent cessation of one or more of the Merged Group's operations. There is no assurance that Silvercorp will be able to anticipate, respond to, or manage the risks associated with physical climate change events and impacts and this may result in material adverse consequences to the Merged Group's business and to the Merged Group's financial results.

(g) **Recent market events and conditions of worldwide securities markets may adversely impact the Merged Group's ability to obtain financing**

Over the past several years market events and conditions, including disruptions in the Canadian, United States and international credit markets and other financial systems,

along with the uncertainty of the Canadian, United States and global economic conditions which have been heightened due to risks relating to the spread of COVID-19 and the prior decline in precious metal prices, could, among other things, impede access to capital or increase the cost of capital, which would have an adverse effect on Silvercorp's ability to fund its working capital and other capital requirements.

Over the past several years, worldwide securities markets, particularly those in the United States and Canada, have experienced a high level of price and volume volatility. Of note, the share prices of natural resource companies have in the past experienced an extraordinary decline in value and in the number of buyers willing to purchase such securities. In addition, significantly higher redemptions by holders of mutual funds have forced many of such funds (including those holding Silvercorp Shares) to sell such securities with little consideration to the price received.

Therefore, there can be no assurance that significant fluctuations in the trading price of Silvercorp Shares will not occur, or that such fluctuations will not materially adversely impact Silvercorp's ability to raise equity funding without significant dilution to its existing shareholders, or at all.

(h) **Share market conditions**

There are risks associated with any investment in securities. Publicly listed securities and, in particular, securities of mining and exploration companies, have experienced extreme price and volume fluctuations that have often been unrelated to the operating performances of such companies.

The price at which Silvercorp Shares are quoted may increase or decrease due to a number of factors. These factors may cause the Silvercorp Shares to trade at prices below the price at the date of the Offer. There is no assurance that the price of the Silvercorp Shares will increase following the Offer, even if Silvercorp's earnings increase.

10.5 Not exhaustive

The risks set out in this section are not exhaustive of all the risks faced or that may be faced by the Merged Group. Accordingly, no assurances or guarantees of future performance or profitability are given by Silvercorp, its subsidiaries or any of their respective officers and employees.

11 Taxation considerations

11.1 Introduction

The following is a general outline of the principal Australian income tax, goods and services (GST) and stamp duty consequences applicable to an OreCorp Shareholder who disposes of OreCorp Shares under the Offer.

The outline reflects the current provisions of the *Income Tax Assessment Act 1936* (Cth), the *Income Tax Assessment Act 1997* (Cth), the *Taxation Administration Act 1953* (Cth) and other applicable Acts, and the regulations made under those Acts, taking into account Silvercorp's understanding of the current administrative practices of the Australian Taxation Office and relevant state revenue authorities. The outline does not otherwise take into account or anticipate changes in the law, whether by way of judicial decision or legislative action, nor does it take into account tax legislation of countries apart from Australia.

The following outline is not exhaustive of all possible Australian tax considerations that could apply to OreCorp Shareholders. In particular, the summary is only relevant to those OreCorp Shareholders who hold their OreCorp Shares on capital account for Australian income tax purposes. The summary does not consider the Australian tax considerations that may be relevant for:

- (a) OreCorp Shareholders who hold (or will hold) OreCorp Shares as trading stock or on revenue account for Australian income tax purposes, or who are exempt from Australian income tax, or are subject to the Taxation of Financial Arrangements rules in Division 230 of the *Income Tax Assessment Act 1997*;
- (b) financial institutions, insurance/life insurance companies, partnerships, superannuation funds, tax exempt organisations or temporary residents;
- (c) dealers in the OreCorp Shares;
- (d) OreCorp Shareholders who hold the OreCorp Shares on behalf of another person or OreCorp Shareholders who acquired their OreCorp Shares as part of an employee share scheme or who hold performance rights;
- (e) Australian residents who hold their OreCorp Shares as part of an enterprise carried on at or through a permanent establishment in a foreign country;
- (f) OreCorp Shareholders who change their tax residence while holding OreCorp Shares; or
- (g) OreCorp Shareholders who invest indirectly into OreCorp through directed portfolio services, master funds or other portfolio administration services.

For OreCorp Shareholders who are non-residents of Australia for tax purposes, it is assumed that the OreCorp Shares are not held and have never been held, as an asset of a permanent establishment of that OreCorp Shareholder in Australia.

This outline does not constitute tax advice. Each OreCorp Shareholder should consult their own tax adviser regarding the consequences of acquiring, holding or disposing of their OreCorp Shares.

11.2 Taxation on the disposal of OreCorp Shares

If you accept the Offer, or if Silvercorp proceeds to compulsorily acquire your OreCorp Shares, you will be treated as having disposed of your OreCorp Shares for Australian income tax purposes. The disposal of your OreCorp Shares will be a CGT event for Australian income tax purposes.

For OreCorp Shareholders who accept the Offer, the date of the CGT event will be the date the contract to dispose of your OreCorp Shares is formed, being the date the Offer is accepted. If your OreCorp Shares are compulsorily acquired, the date of the CGT event will be the date when Silvercorp becomes the owner of your OreCorp Shares.

11.3 Australian resident OreCorp Shareholders

General

OreCorp Shareholders may make a capital gain or loss on the transfer of the OreCorp Shares. You should realise a capital gain in connection with the disposal of an OreCorp Share to the extent that the capital proceeds you receive (or will receive) for the disposal of that OreCorp Share as determined in accordance with the tax law is more than the cost base of that OreCorp Share. You should realise a capital loss to the extent that the capital proceeds you receive (or will receive) is less than the reduced cost base of the OreCorp Share. Capital losses can usually only be offset against capital gains you realise in the same income year or in later income years.

The capital proceeds that you receive for the disposal of your OreCorp Shares should be:

- the amount of cash you receive for the disposal of your OreCorp Shares; and
- the market value of the New Silvercorp Shares you receive for the disposal of your OreCorp Shares, worked out at the date of the CGT event (as described in section 11.2 above) for the disposal of your OreCorp Shares.

The cost base of an OreCorp Share should be the total amount you paid for the OreCorp Share and certain acquisition costs and other costs relating to the holding and disposal of the OreCorp Share, to the extent to which you have not claimed an income tax deduction for such costs. The reduced cost base of an OreCorp Share is usually determined in a similar, but not identical, manner. There are a number of circumstances which may result in your cost base or reduced cost base being calculated in a different manner to that outlined above. We recommend that you consult your tax adviser to confirm the cost base or reduced cost base of your OreCorp Shares.

Any net capital gain in respect of an income year should be included in your assessable income for that income year. Broadly, your net capital gain in respect of an income year will be calculated by aggregating all of your capital gains realised in that income year and reducing that amount by your capital losses realised in that income year and any available net capital losses from prior years.

CGT discount

OreCorp Shareholders who are individuals, trusts or complying superannuation funds may be eligible for discount capital gains treatment in respect of an OreCorp Share if they have held that OreCorp Share for at least 12 months at the time they are taken to have disposed of their OreCorp Shares, meaning only 50% (in the case of individuals and trusts) or 66.6% (in the case of complying superannuation funds) of the capital gain will be included as net capital gains. OreCorp Shareholders who are companies are not eligible for discount capital gains treatment. OreCorp Shareholders should seek their own tax advice regarding their eligibility for discount capital gains tax treatment.

Partial scrip for scrip roll-over relief

Scrip-for-scrip roll-over relief allows taxpayers to defer a capital gain made by a taxpayer if, under a single arrangement, a taxpayer exchanges a share in a company for a share in another company (**Roll-Over Relief**).

OreCorp Shareholders may be able to choose to obtain partial Roll-Over Relief to defer any capital gains arising on the disposal of their OreCorp Shares to the extent they receive New Silvercorp Shares as consideration for the disposal of their OreCorp Shares.

Roll-Over Relief will not be available in respect of any Cash Consideration received by OreCorp Shareholders for the disposal of their OreCorp Shares.

OreCorp Shareholders who elect to choose partial Roll-Over Relief will provide evidence of having made a choice to apply partial Roll-Over Relief by the way they prepare their income tax return (i.e. by excluding the disregarded capital gain from assessable income). No formal election is required to be lodged in order to choose to obtain partial Roll-Over Relief. Broadly, the consequences of an OreCorp Shareholder choosing partial Roll-Over Relief would be that:

- the capital gain that they would otherwise make on the disposal of their OreCorp Shares will be deferred to the extent that the capital proceeds received are New Silvercorp Shares;
- the first element of the tax cost base and reduced tax cost base of the New Silvercorp Shares received by the OreCorp Shareholder should be equal to the cost base and reduced cost base (respectively) of the OreCorp Share for which it was exchanged, reduced by so much of the cost base or reduced base of that OreCorp Share as is attributable to Cash Consideration received by the Shareholder. For these purposes, a reasonable basis for calculating the first element of the tax cost base of the New Silvercorp Shares may be to multiply the tax cost base of the OreCorp Shares by the proportion that is equal to the market value of the New Silvercorp Shares received divided by the sum of the Cash Consideration and the market value of the New Silvercorp Shares; and
- the OreCorp Shareholder will be deemed (for CGT discount purposes only) to have acquired the New Silvercorp Shares at the time that they originally acquired, or are deemed to have acquired, their OreCorp Shares. This may be relevant for CGT discount purposes in respect of future disposals.

OreCorp Shareholders who do not wish to choose partial Roll-Over Relief should include in their net capital gain calculation for the year in which the CGT event for the disposal of their OreCorp Shares occurs (as described in section 11.2 above), the entire capital gain realised by them on the disposal of their OreCorp Shares (not just the capital gain which is attributable to the disposal of their OreCorp Shares for Cash Consideration).

If an OreCorp Shareholder would realise a capital loss as a result of disposing of their OreCorp Shares, partial Roll-Over Relief will not be available, and the capital loss will be realised.

The benefit of choosing partial Roll-Over Relief will depend on the individual circumstances of each OreCorp Shareholder and therefore OreCorp Shareholders should seek professional tax advice.

The above comments will not apply to you if you buy and sell OreCorp Shares in the ordinary course of business, or if you acquired the OreCorp Shares for resale at a profit. In those cases, any gain is generally taxed as ordinary income. We recommend that those OreCorp Shareholders seek their own tax advice.

11.4 Non-resident OreCorp Shareholders

If you are not a resident of Australia for income tax purposes, you will generally not have to pay Australian tax on any capital gain when you dispose of your OreCorp Shares, unless both of the following requirements are satisfied:

- (a) you hold a “non-portfolio interest” in OreCorp; and
- (b) the OreCorp Shares pass the “principal asset test”.

If either element is absent, any capital gain made on the disposal of your OreCorp Shares should not be subject to income tax in Australia.

You will hold a “non-portfolio interest” in OreCorp if you (together with your associates) own, or owned, throughout a 12-month period during the 24-month period preceding the sale of your OreCorp Shares, 10% or more of (broadly) all of the OreCorp Shares. The term “associate” for these purposes is very broad. It includes:

- (a) in the case of individuals, certain relatives;
- (b) entities that have majority ownership (50% or more of the voting shares) of, or otherwise control, the foreign tax resident OreCorp Shareholder;
- (c) entities which are majority owned or controlled by the foreign tax resident OreCorp Shareholder;
- (d) a trustee of a trust where the foreign tax resident OreCorp Shareholder is capable of benefiting (whether directly or indirectly) under the trust; and
- (e) (generally) an associate of an associate.

Broadly, the OreCorp Shares would pass the “principal asset test” if the market value of OreCorp’s direct and indirect interests in Australian land (including leases and mining, quarrying or prospecting rights) is more than the market value of its other assets at the time you accept the Offer. Detailed calculations are necessary to determine the results of the “principal asset test”.

If you hold a “non-portfolio interest” in OreCorp, you should contact OreCorp to determine if the OreCorp Shares would pass the “principal asset test”. If so, you may be eligible for discount capital gains treatment in respect of an OreCorp Share if you acquired, or are taken to have acquired, your OreCorp Shares on or before 8 May 2012. You should seek your own tax advice in these circumstances.

If you buy and sell shares in the ordinary course of business, or acquired the shares for resale at a profit, any gain could be taxed in Australia as ordinary income and not as a capital gain (subject to any relief available under a double tax treaty that Australia has concluded with your country of residence). Again, you should seek your own tax advice.

You should seek advice from your tax adviser as to the taxation implications of accepting the Offer in your country of residence.

11.5 Foreign resident CGT withholding

Overview

Under the foreign resident capital gains tax withholding (**FRCGW**) rules in Subdivision 14-D of Schedule 1 to the *Taxation Administration Act 1953* (Cth), Silvercorp may have the obligation to withhold an amount of up to 12.5% of the Offer Consideration payable to you and pay such amount to the Australian Taxation Office, if (very broadly):

- (a) both the “non-portfolio test” and the “principal asset test” set out in section 11.4 above are satisfied in relation to your OreCorp Shares; and
- (b) any of the following apply:
 - (i) Silvercorp knows that you are a foreign resident for Australian tax purposes;
 - (ii) Silvercorp reasonably believes that you are a foreign resident for Australian tax purposes;
 - (iii) Silvercorp does not reasonably believe that you are a foreign resident for Australian tax purposes and either:

- (A) you have an address outside Australia (according to any record in Silvercorp's possession, or is kept or maintained on Silvercorp's behalf); or
- (B) Silvercorp is authorised to provide a financial benefit (e.g. payment of the Offer Consideration) to a place outside Australia; or
- (iv) you otherwise have a connection outside Australia of a kind specified in the tax regulations.

If Silvercorp determines or reasonably believes that it has an obligation to make the above payment, Silvercorp will (subject to the comments below in relation to relevant tax declarations) withhold the applicable FRCGW amount from the Offer Consideration payable to you and pay that amount to the Australian Taxation Office. You will only receive the net proceeds and will be taken to receive the full Offer Consideration for the purposes of this Offer, such that Silvercorp will be discharged of any liability to pay that amount of the Offer Consideration to you.

Depending on your specific circumstances, you may be entitled to apply to the Australian Taxation Office, before the disposal of your OreCorp Shares, to vary and reduce the rate of withholding from 12.5%.

Declaration for non-withholding of FRCGW

If Silvercorp determines or reasonably believes that it has an obligation to withhold the applicable FRCGW amount from the Offer Consideration payable to you, Silvercorp may request you to complete a declaration to the effect that either:

- (a) you are an Australian resident for Australian tax purposes (**Australian Residency Declaration**); or
- (b) your OreCorp Shares do not satisfy the non-portfolio test (see section 11.4 above) and/or do not satisfy the principal asset test (see section 11.4 above) (**Non-Portfolio Interest Declaration**).

If you are requested to provide an Australian Residency Declaration or Non-Portfolio Interest Declaration and:

- you provide a completed Australian Residency Declaration or Non-Portfolio Interest Declaration to Silvercorp before Silvercorp acquires your OreCorp Shares, Silvercorp will not deduct any FRCGW tax from the Offer Consideration payable to you, unless Silvercorp knows or reasonably believes the declaration to be false; or
- you do not provide a completed Australian Residency Declaration or Non-Portfolio Interest Declaration to Silvercorp before Silvercorp acquires your OreCorp Shares, or you provide a completed Australian Residency Declaration or Non-Portfolio Interest Declaration to Silvercorp that Silvercorp knows or reasonably believes to be false, Silvercorp will deduct the applicable FRCGW amount from the Offer Consideration payable to you.

If you are unsure about how the FRCGW tax applies to you or whether you are entitled to complete an Australian Residency Declaration or a Non-Portfolio Interest Declaration, you should seek independent advice.

Credit or refund of FRCGW

Any FRCGW tax withheld from the Offer Consideration is not a final tax. You should be entitled to claim a credit in your Australian income tax return, for the relevant income year, for any FRCGW tax withheld and remitted by Silvercorp in respect of your OreCorp Shares. To the extent the FRCGW tax exceeds your final Australian tax liability for the disposal of your OreCorp Shares, you should be entitled to a refund of the difference.

11.6 GST and stamp duty

Any stamp duty payable on the transfer of OreCorp Shares to Silvercorp pursuant to the Offer will be paid by Silvercorp.

You should not be liable for GST on a disposal of your OreCorp Shares. However, GST is likely to be payable to your broker in respect of brokerage fees (if any) charged to you in relation to the Offer.

Your ability to claim input tax credits on related acquisitions (if any) may be restricted. This is a complex area of the GST law and GST registered entities should seek their own professional tax advice in this regard.

12 Additional information

12.1 Bid Implementation Deed

(a) Overview

On 27 December 2023, Silvercorp and OreCorp entered into the Bid Implementation Deed pursuant to which Silvercorp agreed to make the conditional off-market Offer for all OreCorp Shares. A full copy of the Bid Implementation Deed was released to ASX on 27 December 2023.

Key terms of the Bid Implementation Deed are detailed below.

(b) Recommendation of OreCorp Directors

Clause 2.3 of the Bid Implementation Deed states that each OreCorp Director has confirmed that they will recommend that OreCorp Shareholders accept the Offer and will undertake to accept, or procure the acceptance of the Offer in respect of all OreCorp Shares held or controlled by them within 14 days after the Offer have opened for acceptance, in each case, in the absence of a Superior Proposal and subject to the Independent Expert concluding and continuing to conclude that the Offer is reasonable to OreCorp Shareholders.

Clause 2.3 of the Bid Implementation Deed further requires OreCorp to use its best endeavours to procure that no OreCorp Director withdraws or changes their recommendation of the Offer unless (a) the Independent Expert concludes that the Bid is not reasonable to OreCorp Shareholders; or (b) a Superior Proposal emerges.

(c) Obligations to implement and conduct business in the ordinary course

Both OreCorp and Silvercorp have agreed to each take certain steps to implement the Offer, which are set out in clause 3 of the Bid Implementation Deed.

In addition, both OreCorp and Silvercorp have agreed that from the date of the Bid Implementation Deed until the earlier of the end of the Offer Period and the date the Bid Implementation Deed is terminated, they will each carry on business in the ordinary course and in substantially the same manner as conducted as at the date of the Bid Implementation Deed.

(d) Exclusivity arrangements

(i) No shop obligation

During the Exclusivity Period, OreCorp and its representatives must not, directly or indirectly:

- solicit, invite, encourage or initiate any Competing Proposal or any offer, proposal, expression of interest, enquiry, negotiation or discussion with any Third Party in relation to, or that may reasonably be expected to encourage or lead to, a Competing Proposal; or
- announce or communicate to any person an intention to do any of the above.

(ii) No talk obligation

Subject to a fiduciary out exception, during the Exclusivity Period, OreCorp and its representatives must not directly or indirectly enter into or continue negotiations or discussions with any Third Party in relation to a Competing Proposal, or that may reasonably be expected to encourage or lead to a Competing Proposal, even if:

- the actual, proposed or Potential Competing Proposal was not directly or indirectly solicited, invited, encouraged or initiated by OreCorp or any of its representatives; or
- the Competing Proposal has been publicly announced.

(iii) No due diligence obligation

Subject to a fiduciary out exception, during the Exclusivity Period, OreCorp and its representatives must not directly or indirectly make available to any Third Party, or cause or permit any Third Party to receive, any non-public information relating to any member of the OreCorp Group or their respective businesses or operations that may reasonably be expected to assist such Third Party in formulating, developing or finalising, or assisting in the formulation, development or finalisation of, a Competing Proposal.

(iv) Matching right

During the Exclusivity Period, before:

- (A) any member of the OreCorp Group enters into any agreement pursuant to which a third party or OreCorp proposes to undertake or give effect to a Competing Proposal; or
- (B) any member of the OreCorp Board changes, withdraws, modifies, revises or qualifies their recommendation in favour of the Offer in response to or in connection with an actual Competing Proposal,

the following conditions must be satisfied:

- (C) the OreCorp Board, acting in good faith, must determine that the Competing Proposal is a Superior Proposal and that a failure to enter into an agreement to give effect to it would likely breach the fiduciary or statutory duties of the members of the OreCorp Board;
- (D) OreCorp has provided Silvercorp with the material terms and conditions of the Competing Proposal (including the price, conditions precedent, timetable, break fee or reimbursement fee and the identity of the third party), as well as notification of the OreCorp Board's determination referred to in (C) and reasons for that determination;
- (E) for at least 5 Business Days after the provision of the above information, Silvercorp and OreCorp have negotiated in good faith, to the extent Silvercorp wishes to negotiate and make itself reasonably available to negotiate, to enable Silvercorp to provide an equivalent or superior proposal to the terms of the Competing Proposal;
- (F) by the expiry of the negotiation period, OreCorp has received a written proposal from Silvercorp to improve the Offer Consideration or otherwise alter the terms of the Offer (**Silvercorp Counterproposal**), and OreCorp (acting reasonably and in good faith, after receiving written advice from its external legal advisers and advice from its financial advisers) has determined as soon as reasonably practicable (and in any event within 4 Business Days of receiving the Silvercorp Counterproposal), that the Silvercorp Counterproposal would not produce an equivalent or superior outcome for OreCorp Shareholders as compared to the Competing Proposal, taking into account all terms and conditions and other aspects of both proposals, and that the failure to take an action

specified in (A) or (B) above would continue to breach the fiduciary or statutory duties of the members of the OreCorp Board; and

(G) OreCorp has complied with its obligations to:

- (aa) procure that the OreCorp Board considers the Silvercorp Counterproposal and makes a determination in the manner contemplated above as to whether the Silvercorp Counterproposal would provide an equivalent or superior outcome to OreCorp Shareholders as compared with the Competing Proposal;
- (ab) notify Silvercorp of the determination in writing, stating reasons for that determination; and
- (ac) if the determination is that the Silvercorp Counterproposal would provide an equivalent or superior outcome to OreCorp Shareholders as compared with the Competing Proposal, then for a period of not less than 2 Business Days OreCorp and Silvercorp must use their best endeavours to agree the transaction documentation required to implement the Silvercorp Counterproposal as soon as reasonably practicable, and OreCorp must use its best endeavours to procure that the OreCorp Board unanimously recommend that OreCorp Shareholders vote in favour of the Silvercorp Counterproposal (subject to the Independent Expert concluding it is reasonable to OreCorp Shareholders and there being no further Superior Proposal).

(e) **Break Fee**

OreCorp have agreed to compensate Silvercorp \$2,840,976 where, among other things:

- Competing Proposal is announced or made and, within 12 months after the date of the announcement, a Third Party completes a Competing Proposal;
- any OreCorp Director fails to recommend the Offer, changes, withdraws, modifies, revises or qualifies their support for the Offer or their recommendation that OreCorp Shareholders accept the Offer, or makes a public statement indicating that they no longer recommend the Offer or recommend that OreCorp Shareholders accept the Offer, or otherwise publicly supports or endorses, a Competing Proposal. However, none of these circumstances will trigger the Break Fee where this is after the Independent Expert's Report concludes that the Offer is not reasonable to OreCorp Shareholders (other than where the reason for this conclusion or amended conclusion is wholly or in part the existence of a Competing Proposal), or in circumstances where OreCorp is entitled to terminate the Bid Implementation Deed on the basis of (i) a material breach of the Bid Implementation Deed by Silvercorp; (ii) a material breach of a material warranty given by Silvercorp or (iii) Silvercorp withdraws the Offer, the Offer lapses or do not proceed for any reason (other than where the circumstances giving rise to the right of termination arose as a result of any act or omission that could have been prevented by OreCorp), the Offer has not become or been declared unconditional within 6 months of the date of the Bid Implementation Deed, or a Court or Government Agency has issued a final ruling to permanently restrain or prohibit the Offer);
- Silvercorp validly terminates the Bid Implementation Deed on the basis of a material breach of the Bid Implementation Deed by OreCorp or a material breach of a material warranty given by OreCorp, or the Offer lapses or do not

proceed for any reason other than as a consequence of Silvercorp's breach of the Bid Implementation Deed and where the circumstances giving rise to the right of termination arose as a result of any act or omission that could have been prevented by OreCorp.

The Break Fee is the sole and exclusive remedy available to Silvercorp in connection with any event or occurrence listed above and OreCorp is not liable for any loss or damage arising in connection with any such event or occurrence other than for any liability that it may have to pay Silvercorp the Break Fee.

(f) **Representations and Warranties**

Under the Bid Implementation Deed, OreCorp and Silvercorp provide a range of representations and warranties in relation to their respective organisations and operations to the other. The representations and warranties are qualified by public disclosures and certain other information provided by each party to the other before the date of the Bid Implementation Deed.

(g) **Termination rights**

The Bid Implementation Deed may be terminated by either party if:

- the other party has materially breached the Bid Implementation Deed, provided that the breach is material in the context of the Offer (taken as a whole), the party seeking to terminate is not in material breach of the Bid Implementation Deed and has given written notice to the other setting out the relevant circumstances and stating an intention to terminate and the other party has failed to remedy the breach within 10 Business Days; or
- there has been a material breach of a material warranty given by the other party, provided that the party seeking to terminate has given notice to the other setting out the relevant circumstances and stating an intention to terminate, the relevant breach continues to exist for 10 Business Days and the relevant breach is material in the context of the Offer (taken as a whole).

Subject to first complying with its obligations with respect to matching rights, OreCorp may terminate the Bid Implementation Deed by written notice to Silvercorp if OreCorp has received a Competing Proposal and the OreCorp Board has determined that the Competing Proposal constitutes a Superior Proposal.

Silvercorp may terminate the Bid Implementation Deed if a member of the OreCorp Board:

- fails to recommend that OreCorp Shareholders to accept the Offer in the manner contemplated by the Bid Implementation Deed;
- changes, withdraws, modifies, revises or qualifies their recommendation of the Offer in the manner contemplated by the Bid Implementation Deed; or
- makes a public statement indicating that they no longer recommend the Offer or that they recommend a Competing Proposal, or otherwise publicly supports or endorses a Competing Proposal.

Either Silvercorp or OreCorp may terminate the Bid Implementation Deed if:

- Silvercorp withdraws the Offer as permitted by the Corporations Act;
- the Offers lapse or do not proceed for any reason, including non-fulfilment of an Offer Condition which non-fulfilment is not waived by Silvercorp (provided in the case of termination by Silvercorp, that the Offer lapse or do not

proceed for one or more reasons other than as a consequence of Silvercorp's breach of this deed);

- the Offers have not become or been declared unconditional within 6 months of the date of this deed; or
- or a Court or Government Agency has issued a final ruling to permanently restrain or prohibit the Offer.

12.2 Summary of Options Acquisition Deed

Silvercorp has agreed to seek to acquire, subject to the satisfaction of the Minimum Acceptance Condition and the Offer becoming unconditional, all of the OreCorp Options for the Ascribed Value by entering into an Options Acquisition Deed with each of the holders of OreCorp Options.

If an Options Acquisition Deed is executed between Silvercorp and the relevant holder of OreCorp Options, the acquisition of the relevant OreCorp Options must be completed within 5 Business Days from the later of the date the Offer becoming unconditional and the date of the relevant Option Acquisition Deed.

OreCorp has agreed to take all steps reasonably necessary to ensure that, by no later than 7 Business Days after the date of the Bid Implementation Deed, each holder of the OreCorp Options has duly executed an Options Acquisition Deed with Silvercorp.

12.3 Date for determining holders of OreCorp Shares

For the purposes of section 633 of the Corporations Act, the date for determining the people to whom information is to be sent under items 6 and 12 of section 633(1) is the Register Date.

12.4 Silvercorp's interests in OreCorp securities

(a) Silvercorp's interests in OreCorp Shares

As at the date of this Bidder's Statement [and the date of the Offer], Silvercorp has a Relevant Interest in 73,889,007 OreCorp shares and has voting power in OreCorp of 15.74%.

(b) Acquisitions of OreCorp Shares by Silvercorp or its associates

Placement

Concurrent with entering into the Scheme Implementation Deed on 5 August 2023, Silvercorp and OreCorp entered into a subscription agreement, under which OreCorp issued 70,411,334 OreCorp Shares to Silvercorp at a price of A\$0.40 per OreCorp Share for aggregate proceeds of approximately A\$28 million (**Placement**). The Placement occurred in two tranches: the first tranche (for aggregate proceeds of A\$18 million) completed on 9 August 2023 and the second tranche (for aggregate proceeds of approximately A\$10 million) completed on 16 August 2023.

Following completion of the Placement, Silvercorp held a Relevant Interest in 70,411,334 OreCorp Shares, representing 15% of the total OreCorp Shares on issue.

Proceeds from the Placement are being used on resettlement activities as contemplated in the Resettlement Action Plan, facilitating the prompt development of the Nyanzaga Project.

Under the subscription agreement, Silvercorp has been granted a participation right, whereby any time that Silvercorp holds a Relevant Interest in at least 10% of all OreCorp Shares on issue, OreCorp agrees not to make any additional issue of

OreCorp Shares or other equity securities without first giving Silvercorp reasonable notice of the proposed issue and the opportunity to participate at least pro-rata in that issue on the same terms as available to other participating parties. Further, if the Scheme Implementation Deed is terminated in accordance with its terms, then for so long as Silvercorp holds a Relevant Interest in at least 15% of the total OreCorp Shares on issue, Silvercorp may nominate one person to be appointed as an OreCorp Director. Notwithstanding the termination of the Scheme Implementation Deed, Silvercorp has agreed that, under the Bid Implementation Deed, it will not exercise this right to appoint an OreCorp Director unless the Bid Implementation Deed is terminated in accordance with its terms.

On-market purchase

On 20 November 2023, 21 November 2023, 30 November 2023, 21 December 2023 and 22 December 2023, Silvercorp acquired 3,477,673 OreCorp Shares on market at the price between A\$0.48 and A\$0.51 per OreCorp Share.

No other acquisition

Other than the OreCorp Shares acquired by Silvercorp noted in this section 12.4, neither Silvercorp, or any of its Associates, have provided, or agreed to provide consideration for OreCorp Shares during the four months ending on the day immediately before the date of this Bidder's Statement ~~and the date of the Offer~~.

(c) **Highest prices paid for OreCorp Shares by Silvercorp or its Associates**

The highest price paid for OreCorp Shares by Silvercorp or its Associates during the four months before the date of this Bidder's Statement ~~and the date of the Offer~~ was A\$0.51 per OreCorp Share under an on-market purchase on 22 December 2023.

12.5 No pre-Offer benefits

During the period of four months before the date of this Bidder's Statement ~~and the date of this Offer~~, neither Silvercorp nor any of its Associates gave, or offered to give, or agreed to give, a benefit to another person which was likely to induce the other person or and Associate of the other person to:

- accept the Offer; or
- dispose of OreCorp Shares,

and which is not offered to all holders of OreCorp Shareholders.

12.6 No escalation agreements

Neither Silvercorp nor any associate of Silvercorp has entered into any escalation agreement that is prohibited by section 622 of the Corporations Act.

12.7 FCC intervention

Silvercorp lodged an application to the FCC on 4 September 2023 for a merger approval for the proposed acquisition of control of OreCorp. As announced by OreCorp on 7 November 2023, Silvercorp had obtained the unconditional merger approval granted by the FCC.

As the Existing Approval was issued for the proposed acquisition of control of OreCorp, Silvercorp and OreCorp's understanding was that the Existing Approval would continue to apply to the Offer.

After Silvercorp and OreCorp executed the Bid Implementation Deed and announced the Offer on 27 December 2023, Silvercorp and OreCorp notified the FCC in relation to the

change of transaction structure and that the consideration offered and the proposed change of control effect of the transaction remained unchanged. However, following receipt of the notice, the FCC informed Silvercorp and OreCorp that the FCC considers a new merger approval may be required in respect of the Offer.

If the FCC takes the view that the Existing Approval is not valid for the change of control of OreCorp associated with the Offer, and does not grant a new approval in relation to the Offer, the completion of the Offer or the acquisition of OreCorp Shares by Silvercorp will be restrained, impeded, prohibited or otherwise have a material adverse effect on the making or completion of the Offer.

In those circumstances, the Offer Condition in paragraph (c) of Appendix 2 of the Bidder's Statement (the No Regulatory Action Condition) will be breached, as the action by the FCC could reasonably be expected to restrain, impede or prohibit or otherwise have a material adverse effect on the making or completion of the Offer.

Upon becoming aware of the FCC's position, Silvercorp and OreCorp submitted an updated copy of the initial application for the Existing Approval to the FCC, requesting the FCC to review the information provided in relation to the changed transaction structure.

Silvercorp, together with OreCorp, are engaging with the FCC in order to seek a confirmation from the FCC that the Existing Approval applies to the Offer or alternatively, provide a new approval for the Offer. Silvercorp and OreCorp believe that, given the Existing Approval, this confirmation of application of Existing Approval or new Offer Approval will be completed within a shorter timeframe than typically required for this process (as an example, the public notice period has been reduced from 14 to 7 days). Accordingly, Silvercorp and OreCorp's current expectation is to receive the FCC decision by mid-February 2024.

In light of the circumstances, Silvercorp:

- undertakes not to exercise any rights it has in relation to the FCC intervention under the Offer or the Bid Implementation Deed unless and until the FCC has made a decision that would restrain, impede or prohibit or otherwise have a material adverse effect on the making or completion of the Offer; and
- intends to keep the Offer open until at least 23 February 2024 (to allow the FCC to make a determination in relation to the Offer Approval, although Silvercorp reserves the right not to extend the Offer Period if FCC has not made such determination by the end of the Offer Period).

12.712.8 Consents

Each of the following parties has given and has not, before the lodgement of this Bidder's Statement with the Australian Securities and Investments Commission, withdrawn its consent to be named in this Bidder's Statement in the form and context in which it is named:

- Canaccord Genuity Corp. as financial adviser to Silvercorp;
- King & Wood Mallesons as Australian legal adviser to Silvercorp; ~~and~~
- Computershare as Australian share registry to Silvercorp; and
- OreCorp, in relation to the status of FCC intervention set out in the Letter from Silvercorp Chairman and Chief Executive Officer and section 12.7.

Other than as specifically outlined above, each party referred to in this section ~~12.812.7~~ has not caused or authorised the issue of this Bidder's Statement and does not make or purport to make any statement in this Bidder's Statement or any statement on which a statement in this Bidder's Statement is based and takes no responsibility for any part of this Bidder's Statement other than any reference to its name.

This Bidder's Statement also includes statements which are made in, or based on statements made in, documents lodged with ASIC or given to ASX. Under the terms of *ASIC Corporations (Takeover Bids) Instrument 2023/683*, the parties making those statements are not required to consent to, and have not consented to, inclusion of those statements in this Bidder's Statement. If you would like to receive a copy of any of those documents, or the relevant parts of the documents containing the statements, free of charge, during the Offer Period, and within 2 Business Days of the request, please contact the Silvercorp Information Line on 1300 290 691 (within Australia) or +61 2 9066 4081 (outside Australia) between 9:00am and 5:30pm (Sydney time) Monday to Friday, excluding public holidays in Sydney. This line will only be open from the date the Offer opens until one week after it closes.

As permitted by *ASIC Corporations (Consents to Statements) Instrument 2016/72*, this Bidder's Statement may include or be accompanied by certain statements:

- fairly representing a statement by an official person; or
- from a public official document or a published book, journal or comparable publication.

In addition, as permitted by *ASIC Corporations (Consents to Statements) Instrument 2016/72*, this Bidder's Statement contains share price trading data sourced from Capital IQ, [Bloomberg](#) and the ASX official website.

12.812.9 Information in relation to Silvercorp's CIM Mineral Resources and CIM Mineral Reserves

As noted in section 4.2, Silvercorp prepares its CIM Mineral Reserves and CIM Mineral Resources estimates in accordance with NI 43-101, which is different to the reporting standard ordinarily applicable to ASX listed companies, the JORC Code.

The NI 43-101 standards require that CIM Mineral Resource estimates are prepared in accordance with, and have the meaning ascribed by, CIM Standards. The NI 43-101 and the NI 43-101 Companion Policy identifies the Australian JORC Code as an "acceptable foreign code" for the estimation of CIM Mineral Resources and noted that it is substantially similar to the CIM Standards as both are based on and are consistent with the international reporting template published by the Committee for Mineral Reserves International Reporting Standards. Likewise, the ASX Listing Rules classify foreign estimates that have been prepared in accordance with NI 43-101 and the CIM Standards as "qualifying foreign estimates" in Australia.

Cautionary Statement

The qualifying foreign estimates have not been reported in accordance with the JORC Code. A competent person has not done sufficient work to classify the foreign estimates as Mineral Resources or Ore reserves in accordance with the JORC Code. It is uncertain that following evaluation and/or further exploration work that the foreign estimates will be able to be reported as Mineral Resources or Ore Reserves in accordance with the JORC Code.

The technical information contained in this Bidder's Statement relating to Silvercorp's mining projects is governed by NI 43-101 which incorporates the guidelines as set out in the CIM Standards. The CIM Standards are sufficiently similar to the JORC Code for Silvercorp's resources and reserves and as such are quoted as "qualifying foreign estimates" in accordance with Chapter 19 of the ASX Listing Rules. Silvercorp currently has no intention to verify the foreign estimates in accordance with the JORC Code.

Comparison of key terms used in JORC Code, CIM Standards and NI 43-101

Whilst there are some differences in their terminology between the JORC Code and the CIM Standards they share (and require) common themes:

- there must be a very high level of confidence (reliability) in the data used to define the mineral deposit;
- the continuity of mineralisation between observation points (sampling points or drillholes) must be established to a very high standard;
- the quality of sampling data must be of a very high standard; and
- most importantly, the potential development of a deposit with either “Proven” or “Probable” ore reserves must be economic to develop and produce, as determined by engineering and mine design studies.

Refer below for a summary of the various key terms used in each of the JORC Code, CIM Standards and NI 43-101.

JORC Code	CIM Standards
<p>Inferred Mineral Resource</p> <p>An Inferred Mineral Resource is that part of a Mineral Resource for which quantity and grade (or quality) are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade (or quality) continuity. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes.</p> <p>An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to an Ore Reserve. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.</p>	<p>Inferred Mineral Resource</p> <p>An Inferred Mineral Resource is that part of a Mineral Resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade or quality continuity. An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.</p>
<p>Indicated Mineral Resource</p> <p>An Indicated Mineral Resource is that part of a Mineral Resource for which quantity, grade (or quality), densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of Modifying Factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit.</p> <p>Geological evidence is derived from adequately detailed and reliable exploration, sampling and testing gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes, and is sufficient to assume geological and grade (or quality) continuity between points of observation where data and samples are gathered.</p>	<p>Indicated Mineral Resource</p> <p>An Indicated Mineral Resource is that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics are estimated with sufficient confidence to allow the application of Modifying Factors in sufficient detail to support mine planning and evaluation of the economic viability of the deposit. Geological evidence is derived from adequately detailed and reliable exploration, sampling and testing and is sufficient to assume geological and grade or quality continuity between points of observation. An Indicated Mineral Resource has a lower level of confidence than that applying to a Measured Mineral Resource and may only be converted to a Probable Mineral Reserve.</p>

JORC Code	CIM Standards
<p>An Indicated Mineral Resource has a lower level of confidence than that applying to a Measured Mineral Resource and may only be converted to a Probable Ore Reserve.</p>	
<p>Measured Mineral Resource</p> <p>A Measured Mineral Resource is that part of a Mineral Resource for which quantity, grade (or quality), densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of Modifying Factors to support detailed mine planning and final evaluation of the economic viability of the deposit.</p> <p>Geological evidence is derived from detailed and reliable exploration, sampling and testing gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes, and is sufficient to confirm geological and grade (or quality) continuity between points of observation where data and samples are gathered.</p> <p>A Measured Mineral Resource has a higher level of confidence than that applying to either an Indicated Mineral Resource or an Inferred Mineral Resource. It may be converted to a Proved Ore Reserve or under certain circumstances to a Probable Ore Reserve.</p>	<p>Measured Mineral Resource</p> <p>A Measured Mineral Resource is that part of a Mineral Resource for which quantity, grade or quality, densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of Modifying Factors to support detailed mine planning and final evaluation of the economic viability of the deposit. Geological evidence is derived from detailed and reliable exploration, sampling and testing and is sufficient to confirm geological and grade or quality continuity between points of observation. A Measured Mineral Resource has a higher level of confidence than that applying to either an Indicated Mineral Resource or an Inferred Mineral Resource. It may be converted to a Proven Mineral Reserve or to a Probable Mineral Reserve.</p>
<p>Ore Reserve</p> <p>An Ore Reserve is the economically mineable part of a Measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted and is defined by studies at Pre-Feasibility or Feasibility level as appropriate that include application of Modifying Factors. Such studies demonstrate that, at the time of reporting, extraction could reasonably be justified.</p> <p>The reference point at which Reserves are defined, usually the point where the ore is delivered to the processing plant, must be stated. It is important that, in all situations where the reference point is different, such as for a saleable product, a clarifying statement is included to ensure that the reader is fully informed as to what is being reported.</p>	<p>Mineral Reserve</p> <p>A Mineral Reserve is the economically mineable part of a measured and/or Indicated Mineral Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted and is defined by studies at prefeasibility or feasibility level as appropriate that include application of Modifying Factors. Such studies demonstrate that, at the time of reporting, extraction could reasonably be justified. The reference point at which Mineral Reserves are defined, usually the point where the ore is delivered to the processing plant, must be stated. It is important that, in all situations where the reference point is different, such as for a saleable product, a clarifying statement is included to ensure that the reader is fully informed as to what is being reported. The public disclosure of a Mineral Reserve must be demonstrated by a Pre-Feasibility Study or Feasibility Study.</p>

JORC Code	CIM Standards
<p>Probable Ore Reserve</p> <p>A Probable Ore Reserve is the economically mineable part of an Indicated, and in some circumstances, a Measured Mineral Resource. The confidence in the Modifying Factors applying to a Probable Ore Reserve is lower than that applying to a Proved Ore Reserve.</p>	<p>Probable Mineral Reserve</p> <p>A Probable Mineral Reserve is the economically mineable part of an Indicated, and in some circumstances, a Measured Mineral Resource. The confidence in the Modifying Factors applying to a Probable Mineral Reserve is lower than that applying to a Proven Mineral Reserve.</p>
<p>Proved Ore Reserve</p> <p>A Proved Ore Reserve is the economically mineable part of a Measured Mineral Resource. A Proved Ore Reserve implies a high degree of confidence in the Modifying Factors.</p>	<p>Proven Mineral Reserve (Proved Mineral Reserve)</p> <p>A Proven Mineral Reserve is the economically mineable part of a Measured Mineral Resource. A Proven Mineral Reserve implies a high degree of confidence in the Modifying Factors.</p>

JORC Code	NI 43-101
<p>Competent Person</p> <p>A Competent Person is a minerals industry professional who is a Member or Fellow of The Australasian Institute of Mining and Metallurgy, or of the Australian Institute of Geoscientists, or of a "Recognised Professional Organisation" (RPO), as included in a list available on the JORC and ASX websites. These organisations have enforceable disciplinary processes including the powers to suspend or expel a member.</p> <p>A Competent Person must have a minimum of five years relevant experience in the style of mineralisation or type of deposit under consideration and in the activity which that person is undertaking.</p> <p>If the Competent Person is preparing documentation on Exploration Results, the relevant experience must be in exploration. If the Competent Person is estimating, or supervising the estimation of Mineral Resources, the relevant experience must be in the estimation, assessment and evaluation of Mineral Resources. If the Competent Person is estimating, or supervising the estimation of Ore Reserves, the relevant experience must be in the estimation, assessment, evaluation and economic extraction of Ore Reserves.</p>	<p>Qualified Person</p> <p>A Qualified Person means an individual who (a) is an engineer or geoscientist with a university degree, or equivalent accreditation, in an area of geoscience, or engineering, relating to mineral exploration or mining; (b) has at least five years of experience in mineral exploration, mine development or operation, or mineral project assessment, or any combination of these, that is relevant to his or her professional degree or area of practice; (c) has experience relevant to the subject matter of the mineral project and the technical report; (d) is in good standing with a professional association; and (e) in the case of a professional association in a foreign jurisdiction, has a membership designation that both requires attainment of a position of responsibility in their profession that requires the exercise of independent judgment, and requires a favourable confidential peer evaluation of the individual's character, professional judgement, experience, and ethical fitness a recommendation for membership by at least two peers, and demonstrated prominence or expertise in the field of mineral exploration or mining.</p>

~~12.9~~12.10 Qualified person statements

The scientific and technical information relating to Silvercorp's projects contained herein has been reviewed and approved by Guoliang Ma, P. Geo., who is a Qualified Person (**QP**) within the meaning of NI 43-101, and who supervised the preparation of the scientific and technical information of Silvercorp included in this Bidder's Statement. The Qualified Person has verified the information disclosed herein using standard verification processes, including the sampling, preparation, security and analytical procedures underlying such information, and is not aware of any significant risks and uncertainties or any limitations on the verification process that could be expected to affect the reliability or confidence in the information discussed herein.

For more information on Silvercorp's projects, readers should refer to Silvercorp's latest Annual Information Form dated 1 June 2023, and Silvercorp's technical reports available on SEDAR+ website www.sedarplus.ca

The scientific and technical information related to Silvercorp's projects included in this Bidder's Statement are derived from the following technical reports:

- NI 43-101 Technical Report Update on the Ying Ag-Pb-Zn Property in Henan Province, People's Republic of China with the effective date of September 20, 2022 (**Ying 2022 Technical Report**), prepared by AMC Mining Consultants (Canada) Ltd. Qualified Persons as defined by National Instrument 43-101 responsible for the preparation of the Ying 2022 Technical Report were H. Smith, P.Eng., G. Vartell, P.Geo. and S. Robinson, P.Geo., MAIG of AMC Mining Consultants (Canada) Ltd.; R. Webster, MAIG and R. Chesher, FAusIMM of AMC Consultants Pty Ltd.; A. Riles, MAIG of Riles Integrated Resource Management Pty Ltd., and Guoliang Ma, P.Geo. of Silvercorp Metals Inc. Guoliang Ma, P.Geo. has reviewed and consented to the technical information in this Bidder's Statement and believes it fairly and accurately represents the information in the Ying 2022 Technical Report that supports the disclosure. For a more detailed overview of the Ying Mining District, please refer to the Ying 2022 Technical Report, which is available on SEDAR+ at www.sedarplus.ca.
- NI 43-101 Technical Report Update on the Gaocheng Ag-Zn-Pb Project in Guangdong Province, People's Republic of China with the effective date March 31, 2021 (**GC 2021 Technical Report**), prepared by AMC Mining Consultants (Canada) Ltd. Qualified Persons as defined by National Instrument 43-101 responsible for the preparation of the GC 2021 Technical Report were D. Nussipakynova, P.Geo., H. A. Smith, P.Eng., A. A. Ross, P.Geo., and S. Robinson, P.Geo., MAIG. of AMC Mining Consultants (Canada) Ltd.; A. Riles, MAIG., of Riles Integrated Resource Management Pty Ltd, and Guoliang Ma, P.Geo. of Silvercorp Metals Inc. Guoliang Ma, P.Geo. has reviewed and consented to the technical information in this Bidder's Statement and believes it fairly and accurately represents the information in the GC 2021 Technical Report that supports the disclosure. For a more detailed overview of the GC Mine, please refer to the GC 2021 Technical Report, which is available on SEDAR+ at www.sedarplus.ca.

~~12.10~~12.11 Disclosure of interests of certain persons

Other than as set out elsewhere in this Bidder's Statement no:

- director of Silvercorp;
- person named in this Bidder's Statement as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Bidder's Statement; or
- promoter of Silvercorp; or

(together, the **Interested Persons**) holds at the date of this Bidder's Statement or held at any time during the last two years, any interest in:

- the formation or promotion of Silvercorp;
- property acquired or proposed to be acquired by Silvercorp in connection with its formation or promotion, or the offer of Silvercorp Shares under the Offer; or
- the offer of Silvercorp Shares under the Offer.

~~12.11~~ **12.12 Fees, interests of advisers and other payments associated with the Offer**

Other than as set out below or elsewhere in this Bidder's Statement, no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given:

- to a director of Silvercorp to induce them to become, or to qualify as, a director of Silvercorp; or
- for services provided by an Interested Person in connection with the formation or promotion of Silvercorp or the offer of Silvercorp Shares under the Offer.

Canaccord Genuity Corp. has acted as financial adviser to Silvercorp in connection with the Offer and is entitled to receive US\$2.3 million together with ongoing fees on a normal commercial basis.

King & Wood Mallesons has acted as legal adviser to Silvercorp in connection with the Offer and is entitled to receive professional fees for these services estimated to be A\$0.5 million together with ongoing fees on a normal commercial basis.

Computershare has engaged to provide takeover register logistic services and other services in connection with the Offer and is entitled to receive professional fee for these services estimated to be A\$0.2 million together with ongoing fees on a normal commercial basis.

~~12.12~~ **12.13 Expiry date**

No securities will be issued on the basis of this Bidder's Statement after the date which is 13 months after the date of the ~~original~~ Bidder's Statement, being 27 December 2023.

~~12.13~~ **12.14 Foreign jurisdiction**

The Offer is being proposed and will be conducted in accordance with the laws in force in Australia. No action has been taken to register or qualify the Silvercorp Shares or otherwise permit a public offer of Silvercorp Shares in any jurisdiction outside Australia.

Please refer to the "Important Notice" section for notice to foreign OreCorp Shareholders.

~~12.14~~ **12.15 Ineligible Foreign Shareholder and Unmarketable Parcel Shareholders**

Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders will not be entitled to receive Silvercorp Shares under the Offer. Instead, Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders will receive the net proceeds of the sale (after deducting the applicable brokerage (applied at market standard rates), taxes and charges) of the Silvercorp Shares they would have otherwise been entitled to.

Please refer to Clauses 2.2 and 6.3 of the Offer Terms in Appendix 1 for further details.

~~12.15~~ **12.16 Social security and superannuation implications of the Offer**

Acceptance of the Offer may have implications under your superannuation arrangements or on your social security entitlements. If in any doubt, you should seek specialist advice.

~~12.16~~ **12.17 Other material information**

Except as disclosed in this Bidder's Statement, there is no other information that is:

(a) material to the making of a decision by a OreCorp Shareholder whether or not to accept the Offer; and

(b) known to Silvercorp,

and has not previously been disclosed to OreCorp Shareholders.

13 Glossary

13.1 Definitions

The following defined terms are used throughout this Bidder's Statement unless the contrary intention appears.

Acceptance Date means the day that is 14 days after the Offer opens, being a day that is more than 3 months after the announcement of the Scheme.

Acceptance Form means your personalised form of acceptance and transfer accompanying the Offer or any replacement or substitute acceptance form provided by or on behalf of Silvercorp.

Additional OreCorp Due Diligence Information means all written information (including in electronic form) relating to the business, operations, assets, liabilities, financial position, performance and prospects of OreCorp provided by OreCorp or its Representatives to Silvercorp or its Representatives in the period between 5 August 2023 and the date of the Bid Implementation Deed.

Ascribed Value means:

- (a) in relation to the OreCorp \$0.9066 Option, A\$0.03 per OreCorp \$0.9066 Option; and
- (b) in relation to the OreCorp \$0.9906 Options, A\$0.02 per OreCorp \$0.9906 Option.

Associate has the meaning given in section 12(2) of the Corporations Act.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited or the market operated by it, as the context requires, as appropriate.

ASX Settlement Operating Rules means the settlement rules of ASX.

Bid Implementation Deed means the bid implementation deed entered into between OreCorp and Silvercorp on 27 December 2023.

Bidder's Statement means this document, being the [replacement](#) statement of Silvercorp under Part 6.5 Division 2 of the Corporations Act [\(as modified by ASIC Corporations \(Replacement Bidder's and Target's Statements\) Instrument 2023/688\)](#) relating to the Offer.

Broker means a person who is a share broker and a participant in CHES.

Business Corporations Act means the Business Corporations Act (British Columbia) from time to time in force and all amendments thereto and includes all regulations and amendments thereto made pursuant to that act.

Business Day means a day (other than a Saturday, Sunday or public holiday) on which banks are generally open in Perth, Western Australia and Vancouver, Canada for normal business.

BVI means British Virgin Islands.

BYP Mine has the meaning given in section 4.3.

Cash Consideration means the cash amount (if any) that an OreCorp Shareholder is entitled to receive under the Offer as part of the consideration under the Offer determined in accordance with clause 2.1 of the Offer Terms.

CHESS means the Clearing House Electronic Subregister System, which provides for electronic share transfer in Australia.

CHESS Holding means a holding of OreCorp Shares on the CHESS subregister of OreCorp.

CIM and **CIM Council** means Canadian Institute of Mining, Metallurgy and Petroleum Council.

CIM Mineral Reserve has the meaning given to the term “mineral reserve” in the CIM Standards.

CIM Mineral Resource has the meaning given to the terms “mineral resource” in the CIM Standards.

CIM Standards means the Definition Standards for Mineral Resources & Mineral Reserves adopted by CIM Council on 19 May 2014, which were adopted by the Canadian Securities Administrators’ (National Instrument 43-101 Standards of Disclosure for Mineral Projects).

Closing Date means ~~10~~ [23 February 2024](#).

COG means cut-off grade.

Competing Proposal means any proposal, offer, expression of interest, agreement, arrangement or transaction (whether by way of takeover bid, scheme of arrangement, reverse takeover, capital reduction, buy-back, sale, lease, purchase or assignment of assets, sale or issue of securities, strategic alliance, joint venture, partnership, dual listed companies structure, economic or synthetic merger or combination or other transaction or arrangement) which, if entered into or completed, would result in a Third Party whether alone or together with an Associate:

- (a) directly or indirectly acquiring or being entitled to acquire a Relevant Interest or any other direct or indirect interest (including but not limited to, a long position under the Takeover Panel Guidance Note 20) in more than 20% of the shares of OreCorp or any other member of the OreCorp Group whose assets represent 20% or more of the total consolidated assets of the OreCorp Group;
- (b) directly or indirectly acquiring or being entitled to acquire an interest in more than 20% of the Nyanzaga Project; or
- (c) acquiring Control of OreCorp or merging or amalgamating with OreCorp or any other member of the OreCorp Group whose assets represent 20% or more of the total consolidated assets of the OreCorp Group,

or which would otherwise prejudice or jeopardise, or might reasonably be expected to prejudice or jeopardise the Transaction.

Computershare means Computershare Investor Services Pty Ltd.

Control has the meaning given in section 50AA of the Corporations Act.

Controlling Participant means the Broker or Participant who is designated as the controlling participant for shares in a CHESS Holding in accordance with the ASX Settlement Operating Rules.

Corporate Governance Committee means the Corporate Governance Committee of the Silvercorp Board.

Corporations Act means the *Corporations Act 2001* (Cth).

COSO means the Committee of Sponsoring Organizations of the Treadway Commission.

DCG Mine has the meaning given in section 4.2.

Encumbrance means any security for the payment of money or performance of obligations, including a mortgage, charge, lien, pledge, trust, power or title retention or flawed deposit arrangement and any “security interest” as defined in sections 12(1) or (2) of the PPSA, or any agreement to create any of them or allow them to exist.

Existing Approval means the unconditional merger approval granted by the FCC on 3 November 2023 for the proposed acquisition of control of OreCorp by Silvercorp.

Fairly Disclosed means disclosed in sufficient detail to enable a reasonable, diligent and sophisticated recipient of the relevant information who is experienced in transactions similar to the Transaction or experienced in a business similar to the business of the OreCorp Group or Silvercorp Group (as applicable), to identify the nature and scope of the relevant fact, matter, circumstance or event.

FCC means the Tanzanian Fair Competition Commission.

Fortune Copper means Fortune Copper Limited.

Fiscal or **Fiscal Year**, in relation to Silvercorp, means the fiscal year ended 31 March of the relevant year.

Fortune Mining means Fortune Mining Limited (a British Virgin Islands entity).

g/t means grams per tonne.

GC Mine has the meaning given in section 4.1.

Government Agency means any foreign or Australian government, any department, officer or minister of any government and any governmental, semi-governmental, administrative, fiscal, judicial or quasi-judicial agency, authority, board, commission, tribunal or entity, and includes any Relevant Exchange, ASIC, the Takeovers Panel, FIRB, FCC, the Australian Taxation Office, the Business Registrations and Licencing Agency of Tanzania, the Tanzanian Mining Commission and any state or territory revenue offices.

Guangdong Found means Guangdong Found Mining Co. Ltd.-

Henan Found means Henan Found Mining Co. Ltd.-

Henan Huawei means Henan Huawei Mining Co. Ltd.-

HIN means a Holder Identification Number, which is the number that starts with an “X”, allocated by your Controlling Participant, to identify a OreCorp Shareholder with a CHES Holding.

HPG Mine has the meaning given in section 4.2.

HZG Mine has the meaning given in section 4.2.

Independent Expert means independent expert appointed by OreCorp in relation to the Offer.

Ineligible Foreign Shareholder means an OreCorp Shareholder that is a US Purchaser or whose address shown in the Register is a place outside:

- (a) Australia and its external territories;
- (b) New Zealand;
- (c) the United Kingdom;
- (d) Canada; and

(e) such other jurisdiction as agreed by the parties,

unless Silvercorp (in consultation with OreCorp) determines that it is lawful and not unduly onerous or impracticable to issue that OreCorp Shareholder with Silvercorp Shares under the Offer.

Interested Person has the meaning given in section [12.11](#)~~12.10~~.

IRR means internal rate of return.

Issuer Sponsored Holding means a holding of OreCorp Shares on OreCorp's issuer sponsored subregister.

JORC Code means the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves 2012, as updated from time to time.

Koz means one thousand ounces.

Kuanping Project has the meaning given in section 4.3.

Listing Rules means the Listing Rules of the ASX and any other applicable rules of ASX modified to the extent of any express written waiver by ASX.

LME Mine has the meaning given in section 4.2.

LMW Mine has the meaning given in section 4.2.

LOM means life-of-mine.

Material Adverse Change means the events and circumstances described in paragraph (d) of Appendix 2.

Merged Group means the Silvercorp Group, including the OreCorp Group, as it exists following the Offer, should the Offer be successful and OreCorp becomes a wholly-owned Subsidiary of Silvercorp.

Minimum Acceptance Condition means the Offer Condition in paragraph (a) of Appendix 2.

Moz means one million ounces.

MRE has the meaning given in section 6.3.

Mt means millions of tonnes.

Mtpa means millions of tonnes per annum.

New Infini means New Infini Silver Inc..

New Infini Shares means common shares in New Infini.

New Pacific Metals means New Pacific Metals Corp. a Canadian public company listed on the TSX under the symbol "NUAG" and the NYSE American under the symbol "NEWP".

New Silvercorp Share means a Silvercorp Share to be issued as Share Consideration under the Offer.

NI 43-101 means National Instrument NI 43-101 Standards of Disclosure for Mineral Projects.

NI 52-110 means National Instrument 52-110 Audit Committees.

NI 58-101 means National Instrument 58-101 Disclosure of Corporate Governance Practices.

NI 62-104 means National Instrument 62-104 Take-Over Bids and Issuer Bids.

NMCL means Nyanzaga Mining Company Limited, a private limited company incorporated and organised under the laws of the United Republic of Tanzania with registered number 60002.

No Regulatory Action Condition means the Offer Condition in paragraph (c) of Appendix 2.

Nominee means the nominee appointed by Silvercorp approved by ASIC to sell the Silvercorp Shares that Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders would otherwise be entitled to and pay to the Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders the net proceeds received (after deducting the applicable brokerage (applied at market standard rates), taxes and charges) in accordance with the Offers.

NP 58-201 means National Policy 58-201 Corporate Governance Guidelines.

NPV means net present value.

Nyanzaga Project or **Project** means the Nyanzaga gold project in the Sengerema District, Mwanza Region, northwest Tanzania.

NYSE American means the NYSE American stock exchange.

Offer means the offer by Silvercorp on the Offer Terms to acquire OreCorp Shares (and for the avoidance of doubt includes each such offer made to an individual OreCorp Shareholder pursuant to that offer).

Offer Announcement Date means the date of the first announcement of the Offer, being 27 December 2023.

Offer Approval has the meaning given in the Letter from Silvercorp Chairman and Chief Executive Officer (on page 3 of this Bidder's Statement).

Offer Conditions means the conditions to the Offer as set out in Appendix 2.

Offer Consideration is defined in section 2.1 of the Offer Terms.

Offer Period means the period commencing on ~~16~~ 16 January 2024 and ending at 7.00pm (Sydney time) on ~~23~~ 23 February 2024, or such later date to which the Offer has been extended.

Offer Terms means the terms and conditions of the Offer set out in Appendices 1 and 2 to this Bidder's Statement.

Omnibus Plan means Silvercorp's amended and restated share-based compensation plan.

OreCorp means OreCorp Limited ACN 147 917 299.

OreCorp \$0.9066 Option means OreCorp Options each with an exercise price of \$0.9066.

OreCorp \$0.9906 Options means OreCorp Options each with an exercise price of \$0.9906.

OreCorp Board means the board of directors of OreCorp.

OreCorp Data Room Information means:

- (a) the written information and documents made available to Silvercorp or its Representatives on or before 4 August 2023 in the electronic data room assembled by OreCorp, an index to which has been initialled for the purposes of identification on behalf of each of Silvercorp and OreCorp; and

- (b) the written answers or written confirmations provided to Silvercorp or its Representatives on or before 4 August 2023 in response to requests for information, copies of which have been compiled and initialled for the purposes of identification on behalf of each of Silvercorp and OreCorp.

OreCorp Directors means the directors of OreCorp as at the date of this Bidder's Statement, whose names are set out in section 6.6.

OreCorp Group means OreCorp and each of its Subsidiaries.

OreCorp Options means the 3,725,257 options to subscribe for new OreCorp Shares outstanding at the date of this Bidder's Statement.

OreCorp Performance Right means an entitlement granted by OreCorp for the holder to be allocated an OreCorp Share subject to the satisfaction of any applicable vesting conditions.

OreCorp Shareholders means holders of OreCorp Shares.

OreCorp Shares means fully paid ordinary shares in the capital of OreCorp.

OreCorp Tanzania means OreCorp Tanzania Limited, a private limited company incorporated and organised under the laws of the United Republic of Tanzania with registered number 105422.

Oz means an ounce;

Participant means a participant under the ASX Settlement Operating Rules.

PCAOB means the Public Company Accounting Oversight Board (United States).

Perseus means Perseus Mining Limited ACN 106 808 986.

Placement has the meaning given in section 12.4.

Prescribed Occurrence means the events described in paragraph (e) of Appendix 2.

Register means the register of OreCorp Shares maintained by Automic Pty Ltd on behalf of OreCorp.

Register Date means the date set by Silvercorp under section 633(2) of the Corporations Act, being 7.00pm (Sydney time) on 27 December 2023.

Related Body Corporate has the meaning given in the Corporations Act.

Related Entities means:

- (a) in respect of Silvercorp, an entity that:

- (i) Controls Silvercorp;
- (ii) is under the Control of Silvercorp; or
- (iii) is under the Control of another entity that also Controls Silvercorp,

but does not, for the avoidance of doubt, include New Pacific Metals Corp. or Tincorp Metals Inc.; and

- (b) in respect of OreCorp, an entity that is under the Control of OreCorp.

Relevant Exchange means in the case of:

- (a) OreCorp, ASX; and
- (b) Silvercorp, TSX and NYSE American.

Relevant Interest has the meaning given in the Corporations Act as modified by any class order or other instrument executed by ASIC that applies to OreCorp.

Representative means in relation to a person, any director, officer or employee or agent of, and any accountant, auditor, financier, financial adviser, legal adviser, technical adviser or other expert adviser or consultant to, that person.

Rights means all accretions, rights or benefits of whatever kind attaching to or arising from OreCorp Shares directly or indirectly after the date of this Bidder's Statement, including, but not limited to, all dividends or other distributions and all rights to receive any dividends or other distributions, or to receive or subscribe for shares, stock units, notes, bonds, options or other securities, declared, paid or made by OreCorp or any of its subsidiaries.

Scheme means the scheme of arrangement under Part 5.1 of the Corporations Act under which all of the OreCorp Shares (except for the OreCorp Shares held by Silvercorp) were proposed to be transferred to Silvercorp for the Scheme Consideration.

Scheme Booklet means the document entitled 'Scheme Booklet for the acquisition by scheme of arrangement of all of the issued shares in OreCorp Limited ACN 147 917 299 (other than the Excluded Shares) by Silvercorp Metals Inc.' registered with ASIC on 3 November 2023 in relation to the Scheme.

Scheme Consideration means the consideration payable by Silvercorp for the transfer of each OreCorp Share under the Scheme, being the A\$0.19 cash plus 0.0967 Silvercorp Shares (or Silvercorp CDIs).

Scheme Implementation Deed means the scheme implementation deed entered into between OreCorp and Silvercorp on 5 August 2023 as amended and reinstated on 23 November 2023 and terminated on 27 December 2023.

SGX Mine has the meaning given in section 4.2.

Share Consideration means the Silvercorp Shares (if any) that an OreCorp Shareholder is entitled to receive under the Offer as part of the consideration under the Offer determined in accordance with section 2.1 of the Offer Terms.

Silvercorp means Silvercorp Metals Inc. BN 131033920 / ARBN 671 900 020.

Silvercorp Articles means the articles of Silvercorp.

Silvercorp Board means the board of directors of Silvercorp.

Silvercorp CDI means a CHESS Depositary Interest, being a unit of beneficial ownership in a Silvercorp Share (in the form of a CHESS Depositary Interest) registered in the name of CHESS Depositary Nominees Pty Limited (ACN 071 346 506).

Silvercorp Counterproposal has the meaning given in section 12.1.

Silvercorp Directors means the directors of Silvercorp as at the date of this Bidder's Statement, whose names are set out in section 4.6.

Silvercorp Group means Silvercorp and its Related Entities (but excluding OreCorp Group Members) and **Silvercorp Group Member** means any of them.

Silvercorp Options has the meaning given in section 5.1.

Silvercorp PSUs has the meaning given in section 5.5.

Silvercorp RSUs has the meaning given in section 5.1.

Silvercorp Share means a fully paid common share in Silvercorp.

Silvercorp Shareholder means a person who is registered in the register of Silvercorp Shares as the holder of one or more Silvercorp Shares from time to time.

Silvercorp Share Repurchase Program has the meaning given in section 5.1.

Silvercorp's Takeover Transferee Holding means the holding of OreCorp Shares on the CHES subregister of Silvercorp established for the purposes of the Offer.

SMCL means Sotta Mining Corporation Limited, a joint venture company incorporated by the Government of the United Republic of Tanzania and NMCL under the laws of the United Republic of Tanzania with registered number 154374027.

SML has the meaning given in section 6.2.

SRN means a Security Reference Number, which is the number which starts with an "I", allocated by OreCorp to identify a OreCorp Shareholder with an Issuer Sponsored Holding.

Stock Exchange Approvals Condition means Offer Condition set out in clause (b) of Appendix 2.

Subsidiary of an entity means another entity which:

- (a) is a subsidiary of the first entity within the meaning of the Corporations Act; or
- (b) is part of the consolidated entity constituted by the first entity and the entities it is required to include in the consolidated financial statements it prepares, or would be if the first entity was required to prepare consolidated financial statements.

Superior Proposal means a written bona fide Competing Proposal received after the date of the Bid Implementation Deed that:

- (a) does not result from a breach by OreCorp of any of its obligations under clause 6 of the Bid Implementation Deed or from any act by a member of the OreCorp Group which, if done by OreCorp, would constitute a breach of clause 6 of the Bid Implementation Deed by OreCorp; and
- (b) the OreCorp Board determines, acting in good faith and after having taken advice from its external financial and legal advisers:
 - (i) is reasonably capable of being valued and implemented within a reasonable timeframe in accordance with its terms; and
 - (ii) would, if completed substantially in accordance with its terms, be more favourable to OreCorp Shareholders than the Transaction or the Silvercorp Counterproposal (as the case may be),

taking into account (as a whole), all aspects of the Competing Proposal and the Transaction or the Silvercorp Counterproposal (as the case may be), including their respective conditions precedent, the identity and reputation of the person making the Competing Proposal and all relevant legal, regulatory and financial matters (including the value and type of consideration, funding, any timing considerations, any conditions precedent or other matters affecting the probability of the proposal being completed).

Target's Statement means the target's statement to be issued by OreCorp in response to this Bidder's Statement in accordance with the Corporations Act.

Tax means any tax, levy, charge, impost, fee, deduction, goods and services tax, compulsory loan or withholding, stamp, landholder, transaction or registration duty or similar charge that is assessed, levied, imposed or collected by any Government Agency and includes any interest, fine, penalty, charge, fee or any other amount imposed on, or in respect of, any of the above.

Third Party means a person other than a Silvercorp Group Member.

Tincorp Metals means Tincorp Metals Inc. (formerly Whitehorse Gold Corp.), a Canadian public company listed on the TSX-V under the symbol "TIN".

TLP Mine has the meaning given in section 4.2.

TMF means tailings management facilities.

tpd means tonnes per day.

Transaction means termination of the Scheme Implementation Deed and the Scheme and the proposed acquisition by Silvercorp of all of the OreCorp Shares it does not already own (including all Rights attaching to those OreCorp Shares) by way of an off-market takeover bid under Chapter 6 of the Corporations Act.

TSX means the Toronto Stock Exchange.

TSX Company Manual means the original listing and ongoing listing maintenance requirements of the TSX, as amended from time to time.

Unmarketable Parcel Shareholder means an OreCorp Shareholder (other than an Ineligible Foreign Shareholder) who, based on their holding of OreCorp Shares would, on acceptance of the Offer, be entitled to receive less than a marketable parcel of Silvercorp Shares under the Offer.

US or United States means the United States of America, its territories and possessions, any State of the United States, and the District of Columbia.

US person has the meaning given thereto in Rule 902 under the US Securities Act. Without limiting the foregoing, it generally includes, without limitation, (i) any natural person resident in the United States; (ii) any partnership or corporation organized or incorporated under the laws of the United States; (iii) any estate or trust of which any executor, administrator or trustee is a US person; (iv) any agency or branch of a foreign entity located in the United States; (v) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a US person; (vi) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated, or (if an individual) resident in the United States; and (vii) any partnership or corporation organized or incorporated under the laws of any non-US jurisdiction if formed by a US person principally for the purpose of investing in securities not registered under the US Securities Act, unless it is organized or incorporated, and owned, by accredited investors who are not natural persons, estates or trusts.

US Purchaser means any OreCorp Shareholder who (i) received the Offer in the United States, (ii) was in the United States at the time of accepting the Offer, (iii) is a US person, (iv) is accepting the Offer or acquiring any consideration payable pursuant to the Offer for the account or benefit of a US person or a person in the United States, or (v) is otherwise unable to accept the Offer in compliance with Rule 903 of Regulation S under the US Securities Act.

US Securities Act means the United States Securities Act of 1933, as amended, and the rules and regulations thereunder.

Victor Mining means Victor Mining Ltd.

Victor Resources means Victor Resources Ltd..

VWAP means volume-weighted average price.

WHO means the World Health Organisation.

Yangtze Mining HK means Yangtze Mining (H.K.) Ltd..

Ying Mining District has the meaning given in section 4.1.

13.2 General interpretation

Headings and labels used for definitions are for convenience only and do not affect interpretation. Unless the contrary intention appears, in this document:

- (a) the singular includes the plural and vice versa;
- (b) a reference to a document includes any agreement or other legally enforceable arrangement created by it (whether the document is in the form of an agreement, deed or otherwise);
- (c) a reference to a document also includes any variation, replacement or novation of it;
- (d) the meaning of general words is not limited by specific examples introduced by “including”, “for example”, “such as” or similar expressions;
- (e) a reference to “**person**” includes an individual, a body corporate, a partnership, a joint venture, an unincorporated association and an authority or any other entity or organisation;
- (f) a reference to a particular person includes the person’s executors, administrators, successors, substitutes (including persons taking by novation) and assigns;
- (g) a reference to a time of day is a reference to Perth time;
- (h) a reference to dollars, \$ or A\$ is a reference to the currency of Australia;
- (i) a reference to US\$ is to the currency of the United States of America;
- (j) a reference to “**law**” includes common law, principles of equity and legislation (including regulations);
- (k) a reference to any legislation includes regulations under it and any consolidations, amendments, re-enactments or replacements of any of them;
- (l) a reference to “**regulations**” includes instruments of a legislative character under legislation (such as regulations, rules, by-laws, ordinances and proclamations); and
- (m) a reference to any thing (including an amount) is a reference to the whole and each part of it.

13.3 Terms defined in the Corporations Act or ASX Settlement Operating Rules

Unless the contrary intention appears, a term which has a defined meaning in the Corporations Act or ASX Settlement Operating Rules has the same meaning when used in this document.

14 Approval of Bidder's Statement

The copy of this Bidder's Statement that is to be lodged with ASIC has been approved by a unanimous resolution passed by the directors of Silvercorp on 22 December 2023.

Signed by Paul Simpson in accordance with section 351 of the Corporations Act.



Paul Simpson

Director

~~27 December 2023~~ 16 January 2024

Appendix 1 – Formal terms of the offer

1 Offer

Silvercorp offers to acquire all of your OreCorp Shares, together with all Rights attaching to them, subject to the Offer Conditions, on the following terms and conditions. This Offer relates to OreCorp Shares that exist or will exist on the Register Date and extends to any OreCorp Shares that are issued between that date and the end of the Offer Period as a result of the exercise of OreCorp Performance Rights and OreCorp Options.

You may only accept this Offer for all of your OreCorp Shares.

By accepting this Offer, you undertake to transfer to Silvercorp not only the OreCorp Shares to which this Offer relates but also all Rights attached to those OreCorp Shares (see clauses 6.6 and 6.7).

2 Consideration

2.1 Consideration offered

The consideration offered is A\$0.19 in cash and 0.0967 Silvercorp Shares for each OreCorp Share (**Offer Consideration**).

2.2 Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders

If at the time this Offer is made to you, you are an Ineligible Foreign Shareholder or an Unmarketable Parcel Shareholder, you are not entitled to be offered or to receive Silvercorp Shares as consideration under the Offer. The Silvercorp Shares which would otherwise be issued to Ineligible Foreign Shareholders who accept the Offer will instead be issued to a nominee as outlined in clause 6.3 below.

2.3 Rounding of shares

If you become entitled to a fraction of one Silvercorp Share, any such fractional entitlement:

- of less than 0.5 will be rounded down to the nearest whole number; and
- of 0.5 or more will be rounded up to the nearest whole number.

If Silvercorp reasonably believes that an OreCorp Shareholder's holdings have been manipulated to take advantage of this rounding up, then any fractional entitlement will be rounded down.

2.4 Ranking of Silvercorp Shares`

The Silvercorp Shares to be issued under the Offer will be issued fully paid and will rank equally in all respects with all other Silvercorp Shares currently on issue.

3 Offer Period

This Offer will, unless withdrawn, remain open for acceptance during the period commencing on the date of this Offer, being  16 January 2024, and ending at 7.00pm (Sydney time) on:

- (a) ~~1~~23 February 2024; or
- (b) any date to which the period of this Offer is extended in accordance with the Corporations Act,

whichever is the later.

If, within the last 7 days of the Offer Period, either of the following events occur:

- (c) the Offer is varied to improve the consideration offered; or
- (d) Silvercorp's voting power in OreCorp increases to more than 50%,

then the Offer Period will be automatically extended so that it ends 14 days after the relevant event in accordance with section 624(2) of the Corporations Act.

4 How to accept this Offer

4.1 Acceptance Forms

Acceptances must be received in the manner specified below prior to the close of the Offer Period at 7.00pm Sydney time on ~~1~~23 February 2024, unless extended.

If your Acceptance Form (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is returned by post, for your acceptance to be valid you must ensure that they are posted or delivered in sufficient time for them to be received by Silvercorp at the address or email address specified on the Acceptance Form before the end of the Offer Period.

Unless you advise us otherwise in writing when accepting the Offer, by accepting the Offer you represent to us that you are not, and are not acting for the account or benefit of, a US Purchaser.

4.2 All of your holding

This Offer is for all of your OreCorp Shares.

4.3 Acceptance procedure for OreCorp Shareholders

How you accept this Offer depends on whether your OreCorp Shares are held in a CHESS Holding or an Issuer Sponsored Holding (your personalised Acceptance Form outlines which type of holding you have):

- (a) **If you hold your OreCorp Shares in a CHESS Holding (your HIN starts with an "X")** you must comply with the ASX Settlement Operating Rules.

If you hold your OreCorp Shares in a CHESS Holding, to accept this Offer you must either:

- (i) instruct your Controlling Participant (usually your broker) to initiate acceptance of this Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules in sufficient time for this Offer to be accepted before the end of the Offer Period; or
- (ii) complete and sign your personalised Acceptance Form and send it (together with all other documents required by the instructions on the form) directly to your Controlling Participant (usually your broker) in sufficient time for this Offer to be accepted before the end of the Offer Period with instructions to

initiate acceptance of this Offer on your behalf in accordance with Rule 14.14 of the ASX Settlement Operating Rules before the end of the Offer Period; or

- (iii) complete and sign your personalised Acceptance Form and lodge it by returning it to an address or email address as indicated under clause 1.1(f) in sufficient time for Silvercorp or Computershare to instruct your Controlling Participant (usually your broker) to initiate acceptance of this Offer on your behalf so that your acceptance is received before the end of the Offer Period.

Neither Silvercorp nor Computershare will be responsible if your Controlling Participant does not acknowledge and confirm your acceptance in sufficient time.

(b) **If you hold your OreCorp Shares in an Issuer Sponsored Holding (your SRN starts with an "I")**

If your OreCorp Shares are in an Issuer Sponsored Holding, to accept this Offer you must **complete and sign** your personalised Acceptance Form in accordance with the instructions on it and lodge it by returning it (together with all other documents required by the instructions on your personalised Acceptance Form) to an address or email address as indicated under clause 1.1(f) so that your acceptance is received before the end of the Offer Period.

(c) **If some of your OreCorp Shares are held in a number of forms**

If some of your OreCorp Shares are in different holdings, your acceptance of this Offer will require action under clauses 1.1(a) and 1.1(b) in relation to the separate portions of your OreCorp Shares.

(d) **If you are a Broker or a Participant**

To accept this Offer you must initiate acceptance in accordance with the requirements of the ASX Settlement Operating Rules before the end of the Offer Period.

(e) **Beneficial owners**

Beneficial owners whose OreCorp Shares are registered in the name of a broker, investment dealer, bank, trust company or other nominee should contact that nominee for assistance in accepting this Offer.

(f) **Postal and delivery addresses**

Completed Acceptance Forms should be sent to:

Computershare Investor Services Pty Limited
GPO Box 52
Melbourne VIC 3001

If by email: corpactprocessing@computershare.com.au.

You may also deliver your completed personalised Acceptance Form in person to the following address:

Yarra Falls
452 Johnston Street
Abbotsford
Melbourne VIC 3067

The transmission of the Acceptance Form and other documents is at your own risk. If you are a OreCorp Shareholder within Australia a reply paid envelope is enclosed for your convenience.

If your Acceptance Form (including any documents required by the terms of this Offer and the instructions on the Acceptance Form) is returned by post, for your acceptance to be valid you must ensure that they are posted or delivered in sufficient time for them to be received by Silvercorp at the address specified on the Acceptance Form (and if you are accepting by the method set out in clause 1.1(a)(iii), in sufficient time for Silvercorp or Computershare to instruct your Controlling Participant) before the end of the Offer Period.

The transmission of your personalised Acceptance Form and other documents is at your own risk.

(g) **Acceptance Form**

Your personalised Acceptance Form which accompanies this Offer forms part of it. Subject to clause 4.6, the requirements on your personalised Acceptance Form must be observed in accepting this Offer in respect of your OreCorp Shares.

4.4 Acceptance procedure for holders of OreCorp Options and OreCorp Performance Rights

If you:

- (a) hold OreCorp Options or OreCorp Performance Rights on the date of this Offer; and
- (b) are entitled to and wish to exercise the OreCorp Options or OreCorp Performance Rights during the Offer Period and accept this Offer in respect of the OreCorp Shares issued upon exercise,

you should exercise the OreCorp Options or OreCorp Performance Rights and accept the Offer in respect of the resulting OreCorp Shares.

Notwithstanding the above, in accordance with the terms of the Bid Implementation Deed, Silvercorp has agreed to make an offer to each holder of OreCorp Options to acquire their OreCorp Options in exchange for the Ascribed Value applicable to the relevant OreCorp Option.

4.5 Power of attorney, deceased estate

When accepting this Offer, you should also forward for inspection:

- (a) if your Acceptance Form is executed by an attorney, an original certified copy of the power of attorney; and
- (b) if your Acceptance Form is executed by the executor of a will or the administrator of the estate of a deceased OreCorp Shareholder, a certified copy of the relevant grant of probate or letters of administration.

4.6 When acceptance is complete

Acceptance of this Offer will not be complete until acceptance has been made in accordance with clause 4.3 and the requirements of clause 4 have otherwise been met, provided that:

- (a) Silvercorp may in its sole discretion and without notice to you waive any or all of those requirements at any time (including but not limited to requirements in relation to the manner or method of acceptance, or the deadline for receipt of acceptances specified under clause 4.3); and
- (b) where such requirements have been complied with in respect of some but not all of your OreCorp Shares, Silvercorp may, in its sole discretion, deem your acceptance of this Offer complete in respect of those OreCorp Shares for which the requirements

have been complied with but not in respect of the remainder (unless Silvercorp waives those requirements in accordance with clause 4.6(a)).

Where Silvercorp elects to waive any requirement of this clause 4, your acceptance of this Offer will be complete regardless of any failure by you to comply with the waived requirement.

5 Quotation of Silvercorp Shares

Silvercorp is listed on the TSX and NYSE American. Silvercorp Shares of the same class as those to be issued as Offer Consideration have been granted quotation by the TSX and NYSE American.

This Offer is subject to the Stock Exchange Approvals Condition, being Silvercorp obtaining approvals from the TSX and NYSE for the listing of the Silvercorp Shares issuable under the Offer (subject only to customary conditions to be satisfied when or around the time when the Offer becomes or is declared unconditional). Silvercorp has already submitted its application to the TSX and NYSE American for the granting of quotation of the New Silvercorp Shares issuable under the Offer.

Subject to the Stock Exchange Approvals Condition being satisfied, quotation of these New Silvercorp Shares will commence as soon as practicable after the relevant New Silvercorp Shares are issued.

Pursuant to section 625(3) of the Corporations Act, this Offer and any contract that results from your acceptance of it are subject to a statutory condition that:

- an application for admission to quotation by the TSX and NYSE American of the New Silvercorp Shares will be made within 7 days after the start of the Offer Period; and
- permission for admission to quotation by the TSX and NYSE American of the New Silvercorp Shares will be granted no later than 7 days after the end of the Offer Period.

If this statutory condition is not fulfilled, all contracts resulting from the acceptance of the Offers will be automatically void.

6 Payment for your OreCorp Shares

6.1 How payment for your OreCorp Shares will be made

- (a) **(Cash Consideration)** Payment of any cash amount to which you are entitled as Cash Consideration under the Offer will be made by cheque (or otherwise as determined by Silvercorp) in Australian currency. The cheque will be sent at your risk by pre-paid ordinary mail or, in the case of addresses outside Australia, by pre-paid airmail, to your address as shown on the Register (or such other address as you may notify in writing to Silvercorp).

If your OreCorp Shares are held in a joint name, the cheque will be issued in the name of the joint holders and forwarded to the address that appears first in the Register.

- (b) **(Share Consideration)** Payment of any Silvercorp Shares to which you are entitled as Share Consideration under the Offer (other than to Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders) will be satisfied by Silvercorp:
- (i) issuing such number of New Silvercorp Shares you are entitled to and entering your name on the register of members of Silvercorp; and

- (ii) dispatching or procuring the dispatch to you by pre-paid post to your address recorded in the Register a direct registration statement in your name reflecting the New Silvercorp Shares that are held by you.
- (c) **(Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders)** If you have accepted the Offer and you are an Ineligible Foreign Shareholder or an Unmarketable Parcel Shareholder, you will receive your share of the net proceeds from the sale of the Silvercorp Shares in accordance with clause 6.3.

6.2 When consideration is paid

Subject to clauses 6.5, 6.6 and the Corporations Act, if you accept the Offer, provided that all relevant documents have been received by Silvercorp and correctly completed, Silvercorp will provide, or procure the provision of, the Offer Consideration to which you are entitled on acceptance of this Offer on or before 10 Business Days after the ~~earlier~~ later of:

- (a) the date you have accepted the Offer; and
- (b) the date the Offer becomes or is declared unconditional.

The Cash Consideration to which you are entitled will be considered paid at the time when the cheque is posted (or when the payment is otherwise processed) by Computershare or Silvercorp.

Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders will be provided with the net proceeds of sale of the Silvercorp Shares to which they are entitled under the Offer at a different time as noted in clause 6.3.

6.3 Payments to Ineligible Foreign Shareholders and Unmarketable Parcel Shareholder

If you accept the Offer and you are an Ineligible Foreign Shareholder or Unmarketable Parcel Shareholder, in respect of any Silvercorp Shares which you would have become entitled to receive under clause 2.1 but for clause 2.2, Silvercorp will:

- (a) arrange for the issue to a nominee approved by ASIC (**Nominee**) of the number of Silvercorp Shares to which you and all other Ineligible Foreign Shareholders and Unmarketable Parcel Shareholders would have become entitled to receive as part of the Offer Consideration as a result of acceptance of the Offer but for clause 2.2. Silvercorp may arrange for the New Silvercorp Shares to be issued to the Nominee in tranches. Silvercorp has the sole and complete discretion as to when and in how many tranches to aggregate the New Silvercorp Shares to be issued as a result of acceptances;
- (b) cause the Nominee to offer for sale the New Silvercorp Shares (in one or more tranches, at the discretion of the Nominee) on the TSX as soon as practicable outside the United States in compliance with Regulation S under the US Securities Act and otherwise in such manner, at such price and on such other terms and conditions as are determined by the Nominee;
- (c) pay, or procure the payment, to you the amount calculated in accordance with the following formula

$$\frac{\text{Net Proceeds of Sale} \times \text{Your Silvercorp Shares}}{\text{Total Nominees Shares}}$$

Total Nominees Shares

Where:

“Net Proceeds of Sale” is the amount the Nominee receives on sale of all Silvercorp Shares issued to the Nominee that are being sold by the Nominee in the relevant tranche under clause 6.3(b), less brokerage and other sale expenses;

“Your Silvercorp Shares” is the number of Silvercorp Shares which Silvercorp would otherwise be required to issue to you as part of the Offer Consideration but for clause 2.2; and

“Total Nominee Shares” is the total number of Silvercorp Shares being sold by the Nominee in the relevant tranche under clause 6.3(a);

- (d) payment will be made by cheque in Australian currency as soon as practicable after settlement of the sale by the Nominee of the Total Nominee Shares for that relevant tranche, but in any event within the period required by the Corporations Act, being on or before the earlier of:
 - (i) one month after this Offer is accepted or one month after the Offer has become or been declared unconditional (whichever is the later); and
 - (ii) 21 days after the end of the Offer Period.

The Net Proceeds of Sale, if in a currency other than Australian currency, will be converted to Australian currency at the time of payment using the relevant exchange rate for value on the date of payment. The cheque will be posted to you at your risk by pre-paid airmail to your address as shown on the Register (or such other address as you may notify in writing to Silvercorp). The payment will be considered paid at the time when the cheque is posted (or when the payment is otherwise processed) by Computershare or Silvercorp. If your OreCorp Shares are held in a joint name, the cheque will be issued in the name of the joint holders and forwarded to the address that appears first in the Register; and

- (e) under no circumstances will interest be paid on your share of the proceeds of this sale, regardless of any delay in remitting these proceeds to you.

As the market price of Silvercorp Shares will be subject to change from time to time, the sale price of the Silvercorp Shares sold by the Nominee and the proceeds of those sales cannot be guaranteed. Neither Silvercorp nor the Nominee gives any assurance as to the price that will be achieved for the sale of the Silvercorp Shares by the Nominee.

The Nominee will be appointed by, and will provide the Nominee services to, Silvercorp. In acting as Nominee, the Nominee will not be acting as agent or sub-agent of any Ineligible Foreign Shareholder or Unmarketable Parcel Shareholder, does not have duties or obligations (fiduciary or otherwise) to any Ineligible Foreign Shareholder or Unmarketable Parcel Shareholder and does not underwrite the sale of the Silvercorp Shares.

Notwithstanding anything else in the Bidder's Statement or these Offer Terms, Silvercorp is under no obligation to spend any money, or undertake any action, in order to satisfy themselves of the eligibility of Ineligible Foreign Shareholders or Unmarketable Parcel Shareholders to receive Silvercorp Shares as set out in this clause 6.3.

6.4 Foreign resident capital gains withholding

If Silvercorp determines, acting reasonably and in good faith, that it must pay an amount to the Commissioner of Taxation (**Commissioner**) pursuant to Subdivision 14-D of Schedule 1 of the *Taxation Administration Act 1953* (Cth) (**TAA**) with respect to the acquisition of the OreCorp Shares from an OreCorp Shareholder, Silvercorp will, for any such OreCorp Shareholder:

- (a) determine the amount to be paid to the Commissioner (**Payment Amount**);
- (b) remit the Payment Amount to the Commissioner within the time required under the TAA; and
- (c) reduce the amount of consideration payable or to be provided by Silvercorp to that OreCorp Shareholder by the Payment Amount for the purposes of this Offer.

For the avoidance of doubt, where the conditions in this clause 6.4 are satisfied, Silvercorp will, for the purposes of this Offer, be deemed to have satisfied its obligations to pay the consideration to an OreCorp Shareholder if the amount paid to the OreCorp Shareholder is the amount of the consideration that would have otherwise been payable to the OreCorp Shareholder pursuant to the Offer, less the Payment Amount for that OreCorp Shareholder.

6.5 Where additional documents are required

Where the Acceptance Form or any subsequent request from Silvercorp requires additional documents to be given with your acceptance (such as a certified copy of a power of attorney, grant of probate or letters of administration, or any other document requested by Silvercorp to give better effect to your acceptance):

- (a) if the documents are given with your acceptance, Silvercorp will provide the Offer Consideration in accordance with clauses 6.1 to 6.3;
- (b) if the documents are given after acceptance and before the end of the Offer Period and this Offer is subject to a defeating condition at the time that Silvercorp is given the documents, Silvercorp will provide the Offer Consideration, subject to clause 6.3, on or before 10 Business Days after the contract resulting from your acceptance of this Offer becomes unconditional; or
- (c) if the documents are given after acceptance and before the end of the Offer Period and this Offer is unconditional at the time that Silvercorp is given the documents, Silvercorp will provide the Offer Consideration, subject to clause 6.3, on or before 10 Business Days after the contract resulting from your acceptance of this Offer becomes unconditional; or
- (d) if the documents are given after the end of the Offer Period, Silvercorp will provide the Offer Consideration, subject to clause 6.3, within 10 Business Days after the documents are given; but if at the time Silvercorp is given the documents, the contract resulting from your acceptance of this Offer is still subject to one or more of the conditions referred to in paragraph (e) of Appendix 2 ("no prescribed occurrences"), Silvercorp will provide the Offer Consideration within 10 Business Days after that contract becomes unconditional.

If you do not provide Silvercorp with the required additional documents within one month after the end of the Offer Period, Silvercorp may, in its sole discretion, rescind the contract resulting from your acceptance of this Offer.

6.6 Where Silvercorp is entitled to any Rights

If Silvercorp becomes entitled to any Rights as a result of your acceptance of this Offer, it may require you to give Silvercorp all documents necessary to vest those Rights in Silvercorp or otherwise to give Silvercorp the benefit or value of those Rights. If you do not give those documents to Silvercorp, or if you have received the benefit of those Rights, then Silvercorp may deduct from the Offer Consideration otherwise due to you the amount (or value, as reasonably assessed by Silvercorp) of those Rights in accordance with clause 6.7.

6.7 Rights generally

If:

- (a) you have (or any previous holder of your OreCorp Shares has) received the benefit of any Rights (whether in respect of non-cash benefits or otherwise); or
- (b) you are (or any previous holder of your OreCorp Shares is) entitled to receive the benefit of any Rights under the terms that provide for or otherwise apply to those Rights (for example, if the Right is to receive a dividend, if you are (or any previous holder of your OreCorp Shares is) the registered holder of the share at the specified time for determining those entitled to the dividend); or
- (c) your OreCorp Shares were issued (or otherwise came into existence) on or after the specified time for determining entitlements in respect of any Rights to OreCorp Shareholders,

then:

- (d) in the case of Rights to non-cash benefits, Silvercorp may deduct the value (as reasonably assessed by Silvercorp) of such Rights from any Offer Consideration otherwise payable to you; or
- (e) in the case of Rights to cash benefits, Silvercorp may deduct the amount of such Rights from any Offer Consideration otherwise payable to you.

If Silvercorp does not, or cannot, make such a deduction, you must pay such value or amount to Silvercorp.

6.8 Clearances for offshore residents

If, at the time of acceptance of this Offer, any consent, authority or clearance is required for you to receive any consideration under this Offer including, but not limited to consent, authority or clearance:

- (a) of the Reserve Bank of Australia (whether under the *Banking (Foreign) Exchange Regulations 1959* (Cth) or otherwise);
- (b) of the Minister for Foreign Affairs whether under the *Charter of the United Nations Act 1945* (Cth), the *Charter of the United Nations (Dealings with Assets) Regulations 2008*, or any other regulations made thereunder, or otherwise; or
- (c) of the Australian Taxation Office, or
- (d) any other person as required by any other law of Australia that would make it unlawful for any consideration to be provided for your OreCorp Shares,

then acceptance of this Offer will not create or transfer to you any right (contractual or contingent) to receive (and you will not be entitled to receive) any consideration under this Offer unless and until all such consents, authorities or clearances have been obtained by Silvercorp.

7 Conditions of this Offer

7.1 Conditions

This Offer and the contract that results from acceptance of this Offer are subject to fulfilment of the Offer Conditions set out in Appendix 2.

7.2 Nature of conditions

Each of the Offer Conditions set out in each paragraph and subparagraph of Appendix 2:

- (a) constitutes and will be construed as a separate, several and distinct condition;
- (b) is a condition subsequent; and
- (c) until the expiration of the Offer Period (or in the case of the conditions referred to in paragraph (e) of Appendix 2 (“no prescribed occurrences”), until three Business Days after the end of the Offer Period) will be for the benefit of Silvercorp alone and may be relied upon only by Silvercorp.

7.3 Effect of breach or non-fulfilment

The breach or non-fulfilment of any of the Offer Conditions does not, until the end of the Offer Period, prevent a contract arising to acquire your OreCorp Shares resulting from your acceptance of this Offer but, if at the end of the Offer Period (or, in the case of the conditions in paragraph (e) of Appendix 2 (“no prescribed occurrences”), at the end of three Business Days after the end of the Offer Period), in respect of any Offer Condition:

- (a) Silvercorp has not declared this Offer (and it has not become) free from that Offer Condition; and
- (b) That Offer Condition has not been fulfilled,

all contracts resulting from the acceptance of the Offer and all acceptances that have not resulted in binding contracts are void. In such a case, Silvercorp will notify ASX of the lapse of the Offer in accordance with Rule 14.19 of the ASX Settlement Operating Rules and will promptly issue and file a news release disclosing the lapse of the Offer.

7.4 Best endeavours in relation to conditions

Silvercorp and OreCorp must each use its best endeavours to procure that:

- (a) each of the Offer Conditions in paragraphs (b) to (f) of Appendix 2 are satisfied; and
- (b) nothing occurs that would prevent any Offer Condition from being satisfied; and

7.5 Silvercorp may decide Offer is free from all or any of the conditions

- (a) Subject to clause 7.5(b), Silvercorp may at any time at its sole discretion, but in compliance with the Corporations Act, declare the Offer free from all or any of the Offer Conditions set out in each paragraph and subparagraph of Appendix 2 by notice in writing to OreCorp:
 - (i) in the case of the Offer Conditions referred to in paragraph (e) of Appendix 2 - not later than three Business Days after the end of the Offer Period; or
 - (ii) in any other case - not later than seven days before the end of the Offer Period.
- (b) Silvercorp has agreed that, in accordance with the terms of the Bid Implementation Deed, within 3 Business Days after both the Offer Conditions in paragraphs (a) and (b) of Appendix 2 are satisfied, it will waive all Offer Conditions other than any Offer Condition in respect of which Silvercorp has publicly announced a breach or suspected breach before that time. [OreCorp Shareholders should be aware that Silvercorp has announced that the No Regulatory Action Condition will be breached if the FCC does not determine that the Existing Approval is valid for the change of control of OreCorp associated with the Offer, and does not grant a new approval in relation to the Offer \(see Section 12.7\).](#)

7.6 Date for giving notice on status of conditions

The date for giving a notice on the status of the conditions as required by section 630(1) of the Corporations Act is ~~16 February 2024~~, subject to variation in accordance with section 630(2) of the Corporations Act in the event that the Offer Period is extended.

8 Effect of Acceptance

8.1 Revocation of acceptance

Once you have accepted this Offer, you will be unable to revoke your acceptance and the contract resulting from your acceptance will be binding on you. In addition, you will be unable to withdraw your acceptance of this Offer or otherwise dispose of your OreCorp Shares, except as follows:

- (a) if, by the times specified in clause 8.2, the Offer Conditions have not all been fulfilled or waived, then this Offer will automatically terminate and your OreCorp Shares will be returned to you; or
- (b) if the Offer Period is varied in a way that postpones for more than one month the time when Silvercorp has to meet its obligations under the Offer and, at that time, this Offer is subject to one or more of the Offer Conditions, then you may be able to withdraw your acceptance in accordance with section 650E of the Corporations Act.

8.2 Times

The relevant times for the purposes of clause 8.1(a) are:

- (a) in the case of the defeating conditions referred to in paragraph (e) of Appendix 2 - three Business Days after the end of the Offer Period; and
- (b) in the case of all other defeating conditions in Appendix 2 - the end of the Offer Period.

8.3 Your agreement

By signing and returning your Acceptance Form, or otherwise accepting this Offer, you will be deemed to have:

- (a) irrevocably authorised Silvercorp to alter your Acceptance Form on your behalf by:
 - (i) inserting correct details of your OreCorp Shares (including details of a parcel of OreCorp Shares required by clause 11.4(b));
 - (ii) filling in any blanks remaining on your Acceptance Form; and
 - (iii) rectifying any errors in, and omissions from, your Acceptance Form,as may be necessary to make your Acceptance Form a valid acceptance of this Offer and to enable registration of the transfer of your OreCorp Shares to Silvercorp, and agreed to provide any document reasonably requested by Silvercorp to make your Acceptance Form a valid acceptance of this Offer or to otherwise give better effect to your acceptance; and
- (b) if any of your OreCorp Shares are in a CHESS Holding, irrevocably authorised Silvercorp to:
 - (i) instruct your Controlling Participant to initiate acceptance of this Offer in respect of all such OreCorp Shares in accordance with the ASX Settlement Operating Rules; and

- (ii) give any other instructions in relation to those OreCorp Shares to your Controlling Participant on your behalf under the sponsorship agreement between you and the Controlling Participant; and
- (c) agreed to indemnify Silvercorp in respect of any claim or action against it or any loss, damage or liability whatsoever incurred by it as a result of you not producing your HIN or SRN or in consequence of the transfer of your OreCorp Shares to Silvercorp being registered by OreCorp without production of your HIN or SRN; and:
- (d) irrevocably accepted this Offer in respect of all your OreCorp Shares despite any difference between that number and the number of OreCorp Shares shown on your Acceptance Form; and
- (e) agreed to the terms and conditions of this Offer and, subject to the Offer Conditions being fulfilled or waived, agreed to transfer (or consented to the transfer in accordance with the ASX Settlement Operating Rules) to Silvercorp of your OreCorp Shares; and
- (f) represented and warranted to Silvercorp, as a fundamental condition which goes to the root of the contract resulting from your acceptance of this Offer, that at the time of acceptance and at the time of transfer of your OreCorp Shares to Silvercorp:
 - (i) you have paid to OreCorp all amounts which are due for payment in respect of your OreCorp Shares; and
 - (ii) all of your OreCorp Shares are fully paid and free from all Encumbrances and restrictions on transfer of any nature; and
 - (iii) you have full power and capacity to sell and transfer those OreCorp Shares; and
- (g) on this Offer or any takeover contract becoming unconditional
 - (i) irrevocably appointed Silvercorp and each of its directors from time to time individually as your agent and attorney on your behalf to:
 - (A) attend and vote in respect of your OreCorp Shares at all general meetings of OreCorp;
 - (B) at Silvercorp's discretion, pay Silvercorp, or any other party, all or part of any amounts contemplated by clause 6.1 of these terms;
 - (C) receive from OreCorp or any other party, and retain, any share certificates which were held by OreCorp, or any other party, whether pursuant to the terms of any employee incentive scheme (including, without limitation, any employee share scheme) or otherwise; and
 - (D) sign all documents (including an instrument appointing one of Silvercorp's directors as a proxy in respect of any or all of your OreCorp Shares and any application to OreCorp for a replacement certificate in respect of any share certificate which has been lost or destroyed) and resolutions relating to your OreCorp Shares, and generally to exercise all powers and rights which you may have as a OreCorp Shareholder and perform such actions as may be appropriate in order to vest good title in your OreCorp Shares in Silvercorp, and to have agreed that, in exercising such powers, any such director is entitled to act in Silvercorp's interests as the beneficial owner and intended registered holder of your OreCorp Shares; and

- (ii) agreed not to vote in person at any general meeting of OreCorp or to exercise (or purport to exercise) in person, by proxy or otherwise, any of the powers conferred on the directors of Silvercorp by 1.1(g)(i); and
- (iii) unless you are an Ineligible Foreign Shareholder or an Unmarketable Parcel Shareholder, irrevocably authorised Silvercorp to apply for the issue to your account of that number of Silvercorp Shares corresponding to your entitlement under this Offer at the date of application; and
- (iv) unless you are an Ineligible Foreign Shareholder or an Unmarketable Parcel Shareholder, agreed to accept the Silvercorp Shares to which you have become entitled by acceptance of this Offer subject to the terms of this Offer and the Silvercorp Articles, agreed that you will be bound by the Silvercorp Articles, and authorised Silvercorp to place your name on its share register in respect of those Silvercorp Shares; and
- (v) irrevocably authorised and directed Silvercorp to direct OreCorp to pay to Silvercorp, or to account to Silvercorp for, all Rights in respect of your OreCorp Shares, subject to Silvercorp accounting to you for any such Rights received by Silvercorp if this Offer is withdrawn or any contract resulting from your acceptance to this Offer is rescinded or rendered void; and
- (vi) in accordance with clause 6.7, irrevocably authorised Silvercorp to adjust the Offer Consideration payable to you by the amount (or value, as reasonably assessed by Silvercorp) of all Rights in respect of your OreCorp Shares; and
- (vii) irrevocably authorised Silvercorp to notify OreCorp on your behalf that your place of address for the purposes of serving notices upon you in respect of your OreCorp Shares is the address specified by Silvercorp in the notification; and
- (viii) acknowledged and agreed that, except as permitted by and in accordance with applicable law, you will not knowingly offer or resell in, or to persons in, the United States of America any Silvercorp Shares which you acquire at any time; and
- (ix) if you are an Ineligible Foreign Shareholder or an Unmarketable Parcel Shareholder (or if Silvercorp believes that you are an Ineligible Foreign Shareholder or an Unmarketable Parcel Shareholder):
 - (A) acknowledged and agreed to Silvercorp undertaking the process set out in clause 6.3 in respect of any Silvercorp Shares which you would have become entitled to receive under clause 2.1 but for clause 2.2; and
 - (B) irrevocably authorised Silvercorp to apply for the issue to the account of the Nominee of that number of Silvercorp Shares which you would have become entitled to receive under clause 2.1 but for clause 2.2;
- (x) where, at that time, you have a right to be registered as a holder of the OreCorp Shares the subject of your acceptance as the result of an on-market purchase (but are not a OreCorp Shareholder):
 - (A) agreed to use best endeavours to procure the delivery of the OreCorp Shares the subject of your acceptance to Silvercorp in accordance with your acceptance (including giving Silvercorp all documents necessary to vest those OreCorp Shares in Silvercorp or otherwise to give Silvercorp the benefit or value of those OreCorp Shares);

- (B) agreed not do or omit to do anything which may frustrate your acceptance of this Offer, or otherwise obstruct registration of the transfer of the OreCorp Shares the subject of your acceptance to Silvercorp;
- (C) irrevocably assigned to Silvercorp all contractual rights and recourse against the vendor in respect of your on-market purchase which contractual rights and recourse may arise by reason of that person's failure to complete that trade;
- (D) agreed to assign to Silvercorp (without any further action being required) all rights in respect of your on-market purchase immediately on any failure by you to complete that trade, including irrevocably assigning to Silvercorp the right to (at Silvercorp's ultimate discretion) complete that trade on your behalf, and agreed that Silvercorp may deduct from the consideration otherwise payable to you (pursuant to a valid acceptance of this Offer and the delivery of the OreCorp Shares the subject of that acceptance) any amount paid by Silvercorp in order to settle that on-market purchase on your behalf. If Silvercorp does not, or cannot, make such a deduction, you must pay such amount to Silvercorp; and
- (E) agreed that if you are unable to assign to Silvercorp any of the rights and recourse specified under clauses 8.3(g)(x)(C) and 8.3(g)(x)(D), you will assign such rights and recourse as soon as you are legally able to; and
- (h) if at the time of acceptance of this Offer your OreCorp Shares are in a CHESS Holding, authorised, with effect from the date that this Offer or any contract resulting from acceptance of this Offer is declared free from all Offer Conditions or those Offer Conditions are satisfied, Silvercorp to cause a message to be transmitted to ASX Settlement Pty Ltd in accordance with Rule 14.17.1 of the ASX Settlement Operating Rules so as to transfer all of your OreCorp Shares to Silvercorp's Takeover Transferee Holding. Silvercorp will be so authorised even though at the time of such transfer it has not provided the Offer Consideration due to you.

By accepting this Offer you will be deemed to have agreed to the matters set out in clauses 8.3(a) to (h) above, notwithstanding where this Offer has been caused to be accepted in accordance with the ASX Settlement Operating Rules.

Except in relation to OreCorp Shares in a CHESS Holding, Silvercorp may at any time deem the receipt of a signed Acceptance Form to be a valid acceptance of this Offer even though you omit to include your share certificate(s) (if any) or there is non-compliance with any one or more of the other requirements for acceptance but, if Silvercorp does so, Silvercorp is not obliged to make the Offer Consideration available to you until all of the requirements for acceptance have been met.

9 Withdrawal

- (a) Silvercorp may withdraw unaccepted Offers at any time with the written consent of ASIC and subject to the conditions (if any) specified in such consent. If ASIC gives such consent, Silvercorp will give notice of the withdrawal to ASX and to OreCorp and will comply with any other conditions imposed by ASIC.
- (b) If, at the time this Offer is withdrawn, all the Offer Conditions have been freed, all contracts arising from acceptance of the Offer before it was withdrawn will remain enforceable.

- (c) If, at the time this Offer is withdrawn, the Offer remains subject to one or more Offer Conditions, all contracts arising from its acceptance will become void (whether or not the events referred to in the relevant conditions have occurred).
- (d) A withdrawal pursuant to this clause 9 will be deemed to take effect:
 - (i) if the withdrawal is not subject to conditions imposed by ASIC, on and after the date on which that consent in writing is given by ASIC; or
 - (ii) if the withdrawal is subject to conditions imposed by ASIC, on and after the date on which those conditions are satisfied.

10 Variation

Silvercorp may vary this Offer in accordance with the Corporations Act.

11 Acceptances by transferees and nominees

11.1 Who may accept this Offer

During the Offer Period:

- (a) any person who is able to give good title to a parcel of your OreCorp Shares may accept this Offer (if they have not already accepted an offer in the form of this Offer) as if an offer on terms identical with this Offer has been made to them; and
- (b) any person who holds one or more parcels of OreCorp Shares as trustee, nominee, or otherwise on account of another person, may accept as if a separate and distinct offer had been made in relation to:
 - (i) each of those parcels; and
 - (ii) any parcel they hold in their own right.

11.2 Holding shares

- (a) A person is taken to hold OreCorp Shares if the person is, or has a right to be registered as, the holder of those OreCorp Shares.
- (b) A person who has a right to be registered as a holder of OreCorp Shares may accept this Offer by completing and signing the Acceptance Form in accordance with the instructions on it and lodging it by returning it (together with all other documents required by the instructions on the Acceptance Form) to an address or email address indicated under clause 1.1(f) so that the acceptance is received before the end of the Offer Period.

11.3 Holding shares on trust or as a nominee

A person is taken to hold OreCorp Shares on trust for, as nominee for, or on account of, another person if they:

- (a) are entitled to be registered as the holder of particular OreCorp Shares; and
- (b) hold their interest in the OreCorp Shares on trust for, as nominee for, or on account of, that other person.

11.4 Effective acceptance

An acceptance of an offer under clause 11.1 is ineffective unless:

- (a) the person who holds on account of another person, gives Silvercorp a notice stating that the OreCorp Shares consist of a separate parcel; and
- (b) the acceptance specifies the number of OreCorp Shares in that parcel.

References in this Offer to your OreCorp Shares will be treated to relate to that separate parcel.

11.5 Notice of acceptance

A notice under clause 11.4 of these terms must be made:

- (a) if it relates to OreCorp Shares entered on a CHESSE subregister - in an electronic form approved by the ASX Settlement Operating Rules; or
- (b) otherwise - in writing.

A person may, at the one time, accept for two or more parcels under this clause as if there had been a single offer for a separate parcel consisting of those parcels.

12 Other matters

12.1 Notices and other communications

Subject to the Corporations Act, a notice or other communication given by Silvercorp to you in connection with this Offer shall be deemed to be duly given if it is in writing and:

- (a) is delivered at your address (including the electronic address, if you have elected to receive the communication in electronic form under section 110E of the Corporations Act and have not withdrawn such election) as recorded on the Register of members of OreCorp given to Silvercorp under section 641 of the Corporations Act, or the address shown in your personalised Acceptance Form; or
- (b) is sent by pre-paid ordinary mail, or in the case of an address outside Australia by pre-paid airmail, to you at either of those addresses.

12.2 Return of documents

If:

- (a) this Offer is withdrawn after your Acceptance Form has been sent to Silvercorp, but before it has been received; or
- (b) for any other reason Silvercorp does not acquire the OreCorp Shares to which your Acceptance Form relates,

you may request Silvercorp by notice in writing to despatch (at your risk) your Acceptance Form together with all other documents forwarded by you, to such address as you nominate. Where such address is inside Australia, the documents will be despatched by pre-paid ordinary mail. Where such address is outside Australia, the documents will be despatched by pre-paid airmail.

12.3 Costs and expenses

All costs and expenses of the preparation, despatch and circulation of the Bidder's Statement and this Offer and all stamp duty payable in respect of a transfer of OreCorp Shares in respect of which Offers are accepted, will be paid by Silvercorp.

12.4 Foreign laws

This Offer is not registered in any jurisdiction outside Australia (unless an applicable foreign law treats it as registered as a result of the Bidder's Statement being lodged with ASIC). It is your sole responsibility to satisfy yourself that you are permitted by any foreign law applicable to you to accept this Offer and to receive Silvercorp Shares (if any) as Offer Consideration.

12.5 Governing law

This Offer and any contract resulting from acceptance of it is governed by the law in force in Western Australia.

Appendix 2 – Conditions of the offer

The Offer and any contract resulting from acceptance of the Offer is subject to fulfilment of the following conditions:

- (a) **(Minimum Acceptance)** at or before the end of the Offer Period, Silvercorp has a Relevant Interest in such number of OreCorp Shares which represents at least 50.1% of all OreCorp Shares (on a fully diluted basis);
- (b) **(Stock Exchange Approvals)** at or before the end of the Offer Period, Silvercorp has obtained approvals from the TSX and NYSE American for the listing of the New Silvercorp Shares issuable under the Offer (subject only to customary conditions to be satisfied when or around the time when the Offer becomes or is declared unconditional);
- (c) **(no regulatory action)**: between the Offer Announcement Date and the end of the Offer Period (each inclusive):
 - (i) there is not in effect any preliminary or final decision, order or ruling issued by any Government Agency;
 - (ii) no application is made to any Government Agency; and
 - (iii) no action or investigation is announced, commenced or threatened by any Government Agency in connection with the Offer,

which could reasonably be expected to restrain, impede or prohibit or otherwise have a material adverse effect on the making of or completion of the Offer, the acquisition by Silvercorp of OreCorp Shares or any other transaction contemplated by this Bidder's Statement, other than an application to or a determination by ASIC or the Takeovers Panel in the exercise of the powers and discretions conferred by the Corporations Act;

- (d) **(no material adverse change)** between the Offer Announcement Date and the end of the Offer Period (each inclusive), that no event or circumstances that occurs which is not an Excluded Event and which individually, or when aggregated with all other events or changes that are not Excluded Events:
 - (i) gives rise to the suspension, revocation, invalidity, unenforceability, materially adverse variation, premature lapse or premature termination of all or any material rights under tenement SML653/2021 held by Sotta Mining Corporation Limited which covers an area of 23.36km² and granted on 13 December 2021 with an expiry date of 12 December 2036 (**OreCorp Group Tenement**) (other than planned relinquishment or abandonment);
 - (ii) involves the grant of mining or other rights or interests of any kind over all or part of any area covered by or the subject of the OreCorp Group Tenement to any person other than the holder(s) of the OreCorp Group Tenement (in that capacity) which materially conflict or could reasonably be expected to materially conflict with the enjoyment of the rights conferred or purported to be conferred by the OreCorp Group Tenement;
 - (iii) diminishes or could reasonably be expected to diminish the consolidated net assets of the OreCorp Group by A\$12 million or more; or
 - (iv) has or could reasonably be expected to have a material adverse effect on the business, assets, liabilities, financial or trading position, profitability or prospects of the OreCorp Group taken as a whole.

For the purposes of this paragraph (d):

- (v) consolidated net assets will be calculated using the same principles as were used to calculate the consolidated net assets in the most recent audited financial statements of OreCorp as at the date of the Bid Implementation Deed; and
- (vi) **“Excluded Event”** means any event or change in circumstances:
 - (A) agreed to in writing by Silvercorp;
 - (B) resulting from the execution or announcement of the Bid Implementation Deed or the Offer or from the exercise by any party of its rights, or the discharge by any party of its obligations, under the Bid Implementation Deed;
 - (C) the future occurrence of which and the effect on the OreCorp Group of which have both been Fairly Disclosed in the OreCorp Data Room Information, the Additional OreCorp Due Diligence Information or in any ASX announcement made by OreCorp after 1 January 2022 and before the date of the Bid Implementation Deed or any matter actually known by Silvercorp on or before the date of the Bid Implementation Deed;
 - (D) resulting from any applicable law, any judicial or administrative interpretation of the law or any practice or policy of a Government Agency, including in relation to Tax;
 - (E) that is, or arises from, a change or fluctuation in general economic, banking, regulatory, political or business or industry conditions;
 - (F) that is, or arises from, a general deterioration in global gold or silver prices or a change in taxation rates, interests rates or exchange rates;
 - (G) that is, or arises from, geopolitical conditions, hostilities, civil or political unrest, any acts of war, sabotage, cyberattack or terrorism (including any outbreak, escalation or worsening of the foregoing) except to the extent such events occur solely in Tanzania;
 - (H) that is, or arises from, any actual or announced change in generally accepted accounting principles or standards or the interpretation of such principles or standards; or
 - (I) that is, or arises from, any epidemic, pandemic, lightning, storm, flood, fire, seismic event or explosion, cyclone, tidal wave, landslide, natural disaster or adverse weather conditions or the like,

except, in the case of each of the matters contemplated in items (E), (F), (G), (H) and (I), if the effects of such event, occurrence, change, condition, matter, circumstance or thing are, or would be considered reasonably likely to be, disproportionately adverse to OreCorp compared to the effects on other comparable companies in the same industries as OreCorp, then those effects are excluded from the matters contemplated in items (E), (F), (G), (H) or (I) (as applicable) only to the extent of such disproportionate effect and not in their entirety;

- (e) **(no prescribed occurrences)** between the Offer Announcement Date and the end of the Offer Period, none of the following events occurs:
 - (i) OreCorp converts all or any of its shares into a larger or smaller number of shares;
 - (ii) OreCorp or an OreCorp Subsidiary resolves to reduce its share capital in any way;
 - (iii) OreCorp or an OreCorp Subsidiary:

- (A) enters into a buy-back agreement; or
 - (B) resolves to approve the terms of a buy-back agreement under section 257C(1) or section 257D(1) of the Corporations Act;
- (iv) OreCorp or an OreCorp Subsidiary issues shares, or grants an option over its shares, or agrees to make such an issue or grant such an option;
- (v) OreCorp or an OreCorp Subsidiary issues, or agrees to issue, convertible notes;
- (vi) OreCorp or an OreCorp Subsidiary disposes, or agrees to dispose, of the whole, or a substantial part, of its business or property;
- (vii) OreCorp or an OreCorp Subsidiary charges, or agrees to charge, the whole, or a substantial part, of its business or property;
- (viii) OreCorp or an OreCorp Subsidiary resolves to be wound up;
- (ix) a liquidator or provisional liquidator of OreCorp or of an OreCorp Subsidiary is appointed;
- (x) a court makes an order for the winding up of OreCorp or of an OreCorp Subsidiary;
- (xi) an administrator of OreCorp or of an OreCorp Subsidiary is appointed under sections 436A, 436B or 436C of the Corporations Act;
- (xii) OreCorp or an OreCorp Subsidiary executes a deed of company arrangement
- (xiii) a restructuring practitioner for OreCorp, or for an OreCorp Subsidiary, is appointed under section 453B of the Corporations Act;
- (xiv) OreCorp or an OreCorp Subsidiary makes a restructuring plan under Division 3 of Part 5.3B of the Corporations Act; or
- (xv) a receiver or a receiver and manager is appointed in relation to the whole, or a substantial part, of the property of OreCorp or of an OreCorp Subsidiary; and
- (f) **(no other prescribed events)** between the Offer Announcement Date and the end of the Offer Period (each inclusive), none of the following events occurs:
 - (i) OreCorp or an OreCorp Subsidiary resolves to reclassify, combine, split or redeem or repurchase directly or indirectly any of its shares;
 - (ii) OreCorp or an OreCorp Subsidiary issues securities convertible into shares or grants, vests or accelerates a performance right or an option or any other securities convertible into shares or similar right over its shares or agrees to make such an issue or grant, vesting or acceleration in relation to such an option, performance right, share, security or similar right (other than an issue of shares in OreCorp pursuant to the conversion of convertible securities or the exercise of options where the existence of those convertible securities or options has been disclosed to ASX before the date of the Bid Implementation Deed or as disclosed to Silvercorp in OreCorp Data Room Information);
 - (iii) OreCorp announces, declares or determines to pay any dividend or announces or makes any other distribution to its members;
 - (iv) OreCorp or an OreCorp Subsidiary makes any change to its constitution or equivalent documents;
 - (v) OreCorp or an OreCorp Subsidiary incurs any financial indebtedness or issues any debt securities, other than in the ordinary course of business or pursuant to advances

under its credit facilities in existence as at the date of the Bid Implementation Deed where the funds drawn pursuant to those advances are used in the ordinary course of business;

- (vi) OreCorp or an OreCorp Subsidiary makes any loans, advances or capital contributions to, or investments in, any other person (other than to or in OreCorp or to another direct or indirect wholly owned OreCorp Subsidiary in the ordinary course of business or to Silvercorp), other than in the ordinary course of business;
- (vii) OreCorp or an OreCorp Subsidiary entering, varying or terminating any material contract, joint venture, partnership or other commitment which is material in the context of the business of the OreCorp Group as a whole, other than in the ordinary course of business;
- (viii) OreCorp or an OreCorp Subsidiary entering into or resolving to enter into a transaction with a Related Entity of OreCorp (as defined in the Corporations Act, but excluding transactions between members of the OreCorp Group);
- (ix) OreCorp or an OreCorp Subsidiary settling or compromising a material dispute;
- (x) OreCorp ceases to be admitted to the official list of ASX or OreCorp Shares cease to be quoted by ASX; or
- (xi) OreCorp or an OreCorp Subsidiary authorising, committing, announcing or agreeing to take any of the actions referred to preceding subparagraphs in this paragraph (f).

CORPORATE DIRECTORY

Silvercorp Metals Inc.

BN 131033920

ARBN 671 900 020

Suite 1750-1066 W. Hastings Street

Vancouver, BC

Canada V6E 3X1

Silvercorp Australian share registry for the Offer

Computershare Investor Services Pty Limited

GPO Box 52

Melbourne VIC 3001

Silvercorp Information Line for the Offer

1300 290 691 (within Australia)

+61 2 9066 4081 (outside Australia)

The Silvercorp Information Line opens between 9:00am and 5:30pm (Sydney time) Monday to Friday, excluding public holidays in Sydney.

This line will only be open from the date the Offer opens until one week after it closes.

Stock Exchange Listing

Silvercorp is listed on the TSX under the symbol "SVM" and trades in the United States on the NYSE American under the symbol "SVM".

Financial Adviser

Canaccord Genuity Corp.

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Silvercorp's share registrar*

Computershare Trust Company of Canada

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Canada, V6C 3B9

Silvercorp's auditor*

Deloitte LLP

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Canada, V6B 0S7

** Information purposes only*