

Frequently Asked Questions



Deed Administrator's Update to Shareholders

Macmin Silver Limited (Subject to Deed of Company Arrangement)
ACN 056 776 160

ASX code: MMN ("Macmin")

19 March 2009

Why are my shares not appearing on the CHES sub-register?

The Deed Administrator has been advised by the ASX that as the suspension from trading shares in Macmin has continued for a period of 60 business days, the CHES Sub-register for Macmin has been closed and archived. CHES will no longer process messages affecting holder registration details, transfers and/or conversions, initiated by either the issuer or Participants.

The ASX Settlement and Transfer Corporation revoked approval for Macmin shares at end of day on Thursday, 5 February 2009 pursuant to ASTC Settlement Rule 8.5.4. At this time, all holdings on the CHES Sub-register were converted to the Issuer Sponsored Sub-register.

Shareholders should note there has been **no change in their shareholding in Macmin as a result of actions taken by the Deed Administrator to date** and the shares in Macmin remain suspended from trading.

What is the current status of Macmin?

The operations of Macmin and its wholly owned subsidiary, Texas Silver Mines Pty Ltd, are still on the care and maintenance program that was instituted by the Deed Administrator on appointment. The operations will remain on care and maintenance while the Deed Administrator conducts the sales process in order to preserve the value of the assets.

The heap leaching at the Twin Hills Silver Mine that the Deed Administrator has elected to continue has been successful and will continue while it provides a benefit to the administration.

How is the sales process progressing?

The Deed Administrator has received indicative offers from a number of parties for the recapitalisation and restructure of Macmin and/or the sale of the Group's assets. These offers have been short listed and discussions are progressing with the short listed parties however it should be

noted that it may take several months before a sale agreement is finalised. Once a sale agreement is finalised, the Deed Administrator will then seek creditor approval to vary the DOCA and complete the sale.

The indicative offers received range from restructuring proposals to the sale of individual assets. The Deed Administrator is considering all these options in order to maximise the return to creditors and shareholders.

Who can I contact for more information?

The Deed Administrator will continue to provide further updates by way of announcements to the ASX. Shareholders with further queries should refer to previous announcements.

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