

SILVERCORP METALS INC.
希尔威金属矿业有限公司

NYSE: SVM
TSX: SVM

www.silvercorp.ca

The Premier Primary Silver Producer in China Today...

A Global Producer Tomorrow.

Silvercorp Metals Inc.

FY2012 Second Quarter Analyst Conference Call

November 9, 2011

Cautionary Statements

Safe Harbor Statement under the United States Private Securities Litigation Reform Act of 1995:

Except for the statements of historical fact contained herein, the information presented constitutes "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements, including but not limited to those with respect to the price of silver, lead and zinc, the possibility, timing and amount of estimated future production, costs of production, reserve determination and reserve conversion rates involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievement of Silvercorp to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such factors include, among others, risks related to international operations, risks related to Chinese government issuance of mining and related development permits, risks related to joint venture operations, the actual results of current exploration activities, conclusions of economic evaluations, changes in project parameters as plans continue to be refined, future prices of silver, lead and zinc, as well as other Risk Factors.

Although Silvercorp has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

The shares of Silvercorp Metals Inc. trade on the New York Stock Exchange (NYSE:SVM) and the Toronto Stock Exchange (TSX: SVM). Neither the NYSE nor the TSX have approved or disapproved the form or content of this presentation.

Cautionary Note To U.S. Investors Concerning Estimates Of Measured, Indicated And Inferred Resources

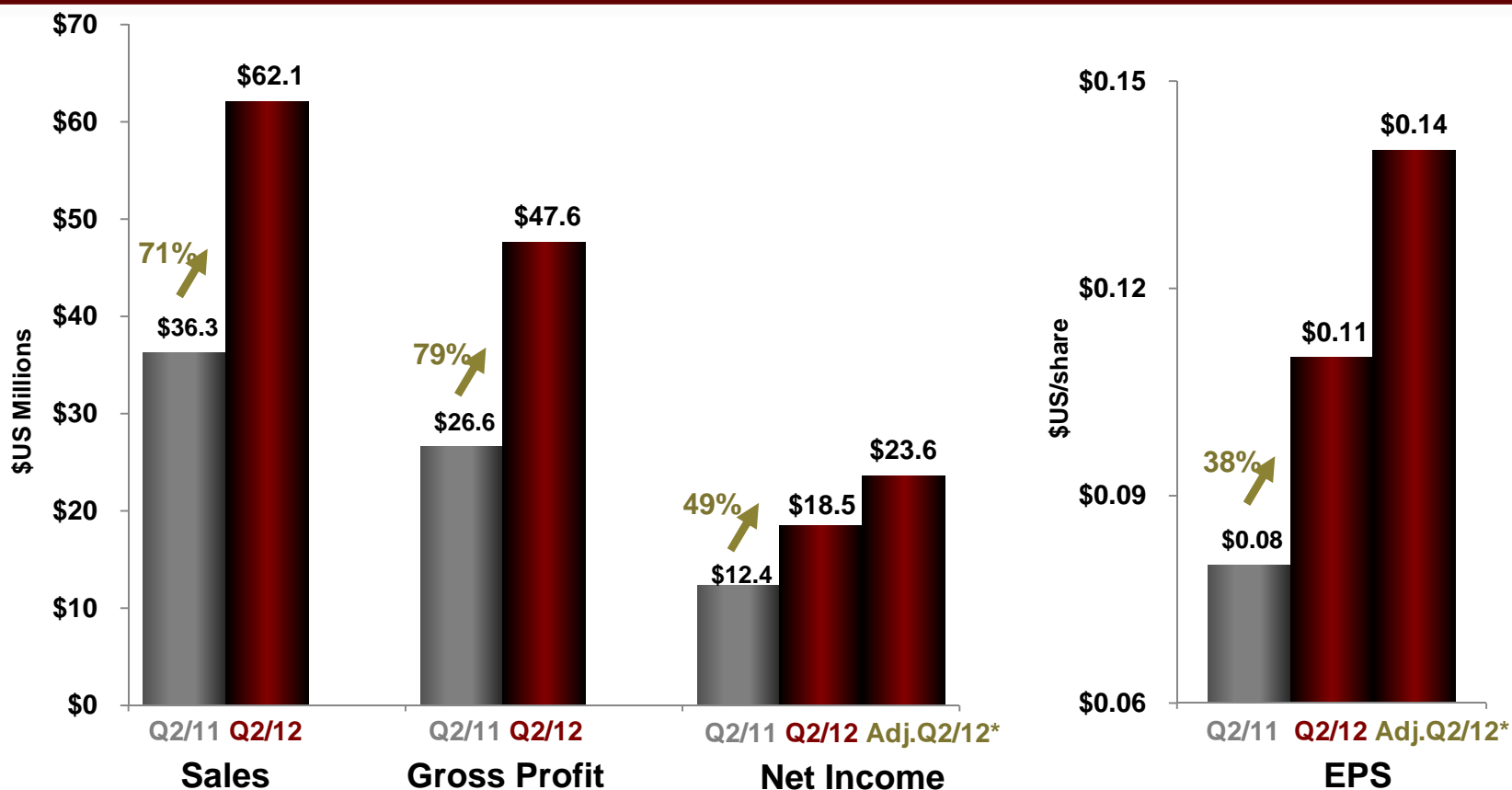
This presentation uses the terms "Measured", "Indicated" and "Inferred" Resources. U.S. investors are advised that while such terms are recognized and required by Canadian regulations, the Securities and Exchange Commission does not recognize them. "Inferred Resources" have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an inferred resource will ever be upgraded to a higher category. Under Canadian rules, estimates of Inferred Resources may not form the basis of feasibility or other economic studies. **U.S. investors are cautioned not to assume that all or any part of Measured or Indicated Resources will ever be converted into reserves. U.S. investors are also cautioned not to assume that all or any part of an Inferred Mineral Resource exists, or is economically or legally mineable.**

Fiscal 2012 Second Quarter – HIGHLIGHTS

- Sales revenue of \$62.1 million, up 71%
- Net income of \$18.5 million, up 49%
- Record cash flow from operations of \$35.2 million, up 140%
- Silver production of 1.4 million ounces, up 4%;
- Increased gold production to 2,516 ounces, up 739%
- Achieved cash costs of **-\$4.55/oz** silver
- Paid cash dividends of CAD\$0.02/sh, or \$3.7 million
- Increased quarterly dividends by 25% to CAD\$0.025/sh (CAD\$0.10/sh annualized)
- Successfully defended the Company against false and malicious anonymous allegations, made in a “Short and Distort” scheme

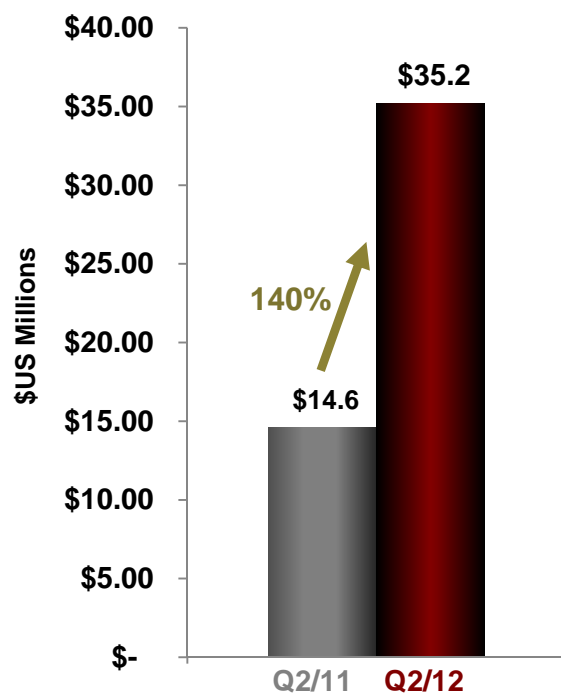
All dollar amounts are expressed in US dollars.

Fiscal 2012 Second Quarter – FINANCIALS

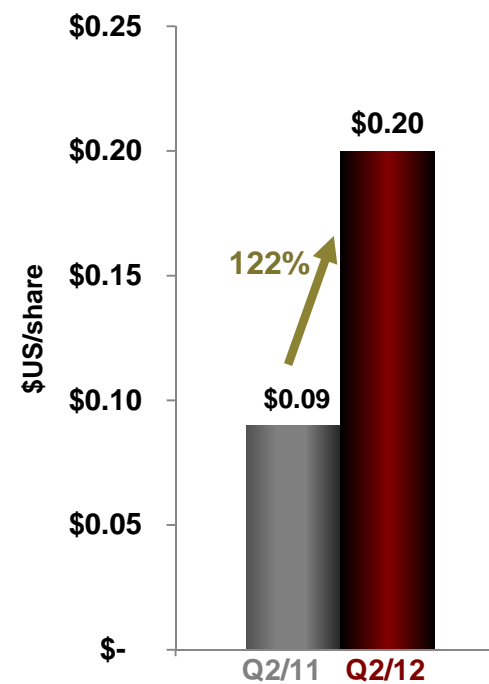


*Adjusted earnings exclude two extraordinary items: (1) \$1.5 million of additional costs related to fighting the "Short and Distort" scheme; (2) \$3.6 million of China dividend withholding taxes accrued for Henan Found annual dividend which will be paid out in the next quarter.

Fiscal 2012 Second Quarter – CASH FLOWS



Cash Flow from Operations

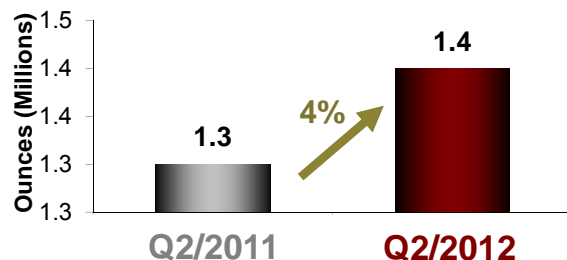


CFPS

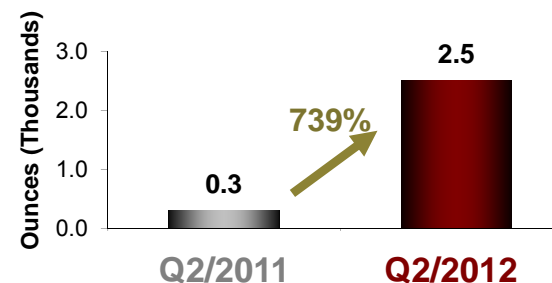
Ended quarter with \$176.7 million in Cash and Short-term Investments and no debt

Fiscal 2012 Second Quarter – OPERATIONS

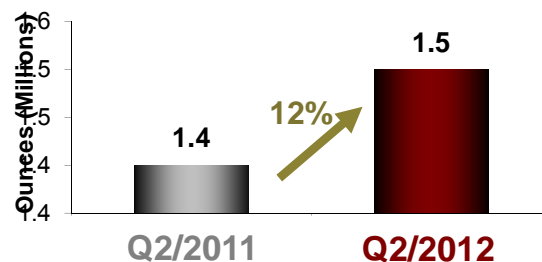
Silver Production



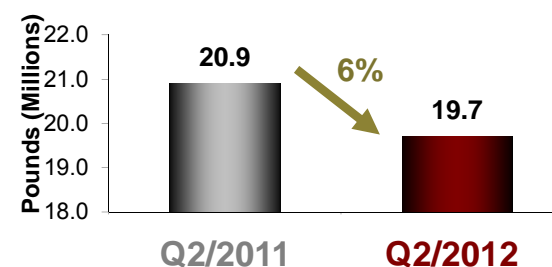
Gold Production



Silver Equivalent Gold only*



Base Metals Production

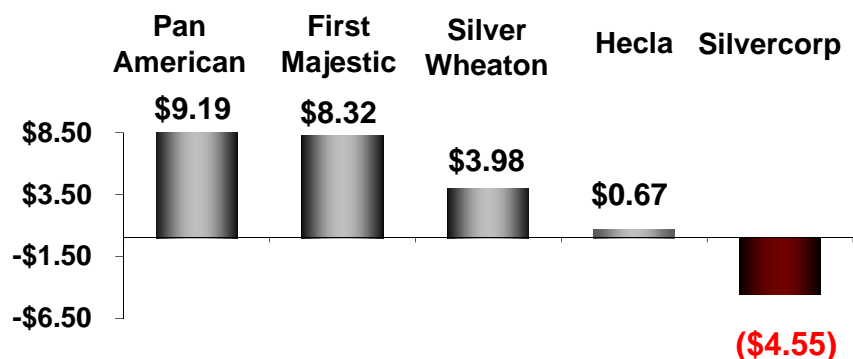


* Includes silver and gold; gold production is converted to silver production at 1:50 ratio.

Fiscal 2012 Second Quarter– OPERATIONS

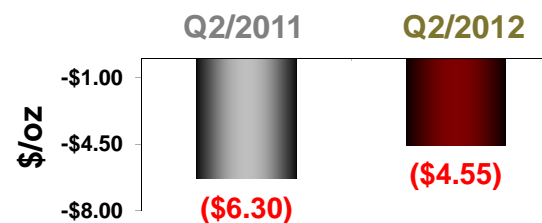
Silvercorp remains one of the lowest cost silver producers among its global peers

Peer Comparison of Cash Costs
 per oz silver adjusted for by-product credits*

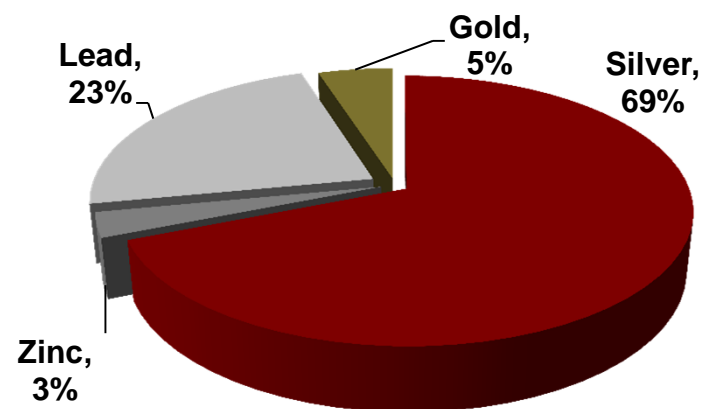


*Quarter ended June 30, 2011, except Silvercorp and Hecla September 30, 2011

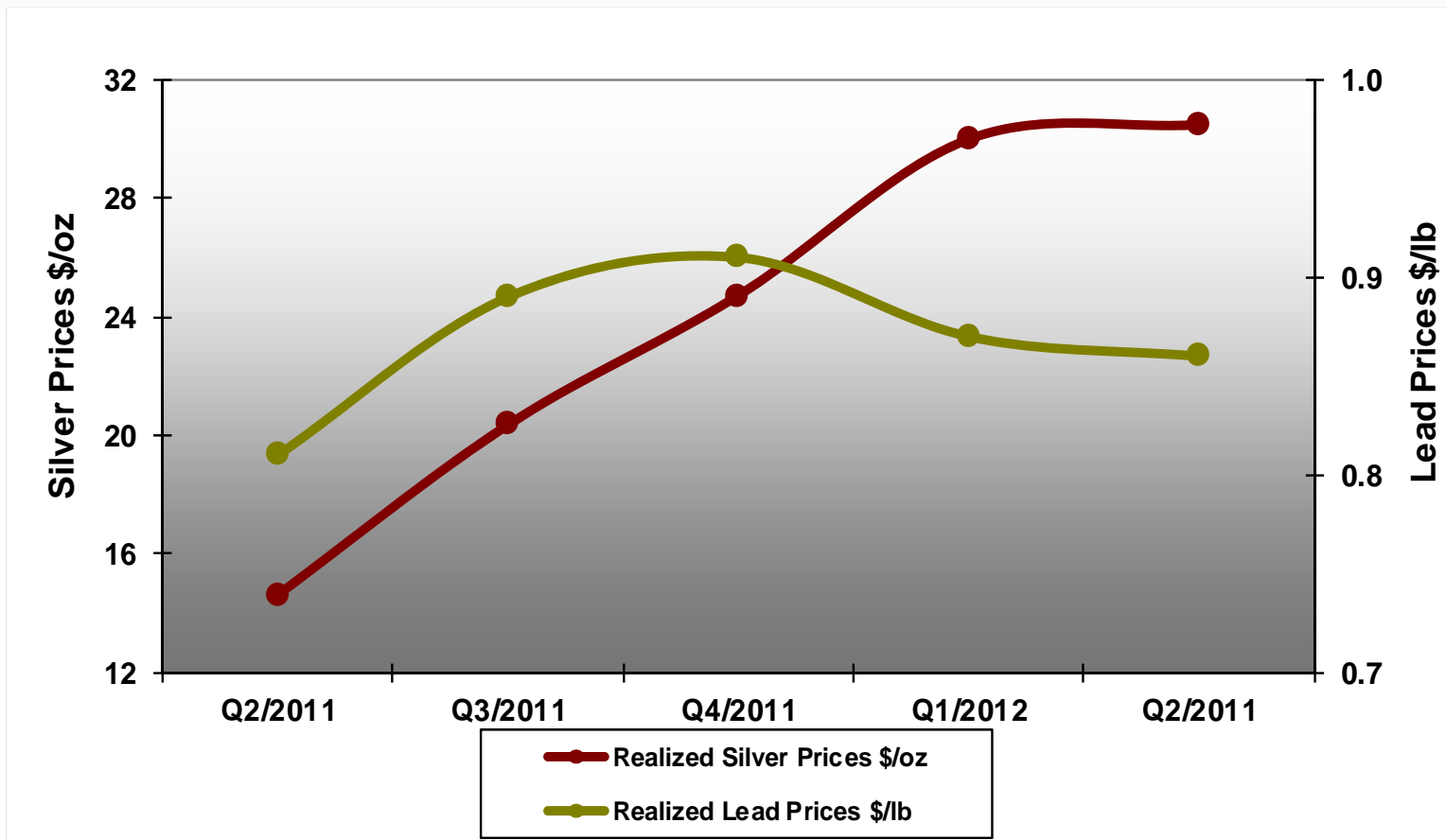
Silver Cash Cost of Production
 per oz silver adjusted for by-product credits



Q2FY2012 Sales Mix by Metal



Fiscal 2012 Second Quarter – REALIZED SELLING PRICES



Fiscal 2012 – Production Guidance

Projects		Ores Processed ('000 tonne)	Head Grade				Metal Production				
			Silver (g/t)	Gold (g/t)	Lead (%)	Zinc (%)	Silver ('000 oz)	Gold ('000 oz)	Ag Eq ('000 oz)*	Lead (mil lbs)	Zinc (mil lbs)
Ying Mining Camp	Ying	325	460		8.3	3.0	4,300	4	4,500	56	15
	TLP	165	145		2.8	0.6	670	-	670	8.6	0.9
	HPG&LM	110	200		4.0	0.9	630	-	630	8.2	1.6
	Subtotal	600	325	0.4	6.0	1.9	5,600	4	5,800	72.8	17.5
BYP Mine		95	-	6	-	-	17	850	-	-	
Total		695					5,600	21	6,650	72.8	17.5

* 1 oz gold equals to 50 oz silver. Only gold is converted to Ag Eq oz.

Fiscal 2012 – Capital Expenditures Budget

Projects		Mine Development		Mill Construction & Surface Facilities	Exploration & Permitting		Total
		Cost (\$million)	Tunnel * (metre)	Cost (\$million)	Cost (\$million)	Drilling (metre)	Cost (\$million)
Ying Mining Camp	Ying	\$6.8	22,830	\$3.3	\$4.5	85,000	\$14.6
	TLP	\$2.7	11,684	\$0.9	\$1.7	36,000	\$5.3
	HPG+LM	\$4.3	14,356	\$0.5	\$2.3	50,000	\$7.1
	Subtotal	\$13.8	48,870	\$4.7	\$8.5	171,000	\$27
GC Project		\$2.7	2,000	\$19.8	\$2.5	20,000	\$25
BYP Mine		\$3.5	8,500	\$8.5	\$3.0	50,000	\$15
Silvertip Project		-	-	-	\$3	3,000	\$3
Total Budget		\$20	59,370	\$33	\$17	244,000	\$70

* Tunnel includes ramps, shafts, raises, declines and horizontal tunnels.

Ying Mining District – Recent development and plans



New 2,200 tpd Mill

Achieved:

- ✓ Production of 72,162 tonnes, down 15% due to safety improvement and a tightening labour supply
- ✓ Continued production ramp up from HPG, TLP & LM
- ✓ Completed 23,510m of exploration tunnelling, 54,977m of diamond drilling and 411m of shafts & declines (Q2FY2012: \$6.8MM)
- ✓ Increased milling capacity to 3,200 t/d
- ✓ Implemented an improved mining technique to reduce dilution by 5 to 10%
- ✓ Commenced development of a 5,200m access ramp at the Ying mine, plus a 4,800 m access ramp at the LM mine

Plan:

- Continue aggressive 171,000m underground drilling program planned (FY2012: \$8.5MM)
- Mine and mill development: 7,000m of vertical shafts, declines and raises, 40,000m of horizontal tunnels, 1,500m of ramps, and a new tailing facility (FY2012: \$18.5MM)

GC Project – Progress towards production



Site Preparation for Main Shaft at GC



Achieved:

- ✓ Completed acquisition of land usage rights with payment of \$3 million in this quarter
- ✓ Commenced mill and mine construction; completed 320m of an access ramp and 20m of a 620m vertical shaft
- ✓ Continued step-out surface drilling program with three drill rigs

Plan:

- Continue to construct 1,600 t/d Mine and Mill
- Initial 700 t/d production & 1,600 t/d milling capacity within the next fiscal year.
- 20,000m surface diamond drilling program (FY2012: \$2.5 MM)
- Convert Chinese design report into an NI43-101 qualified report

BYP Project – Progress Update



500 tpd Mill at the BYP Mine



Ball Mill at the BYP Mine

China



Achieved:

- ✓ Ramped up production to 1,613 oz gold
- ✓ Commenced construction of an 800t/d backfill facility to fill up gold mineralization stopes
- ✓ Commenced sinking of 180m deep shaft

Plan:

- Continue to mine and process higher grade gold materials using existing flotation mill
- Expand the mining and milling capacity to 1,500 tonnes per day Gold material for FY2013
- 50,000m surface and underground drilling program (FY2012: \$3MM)

XBG Project - The Newest Addition

350 tpd Flotation Mill at the XBG Project



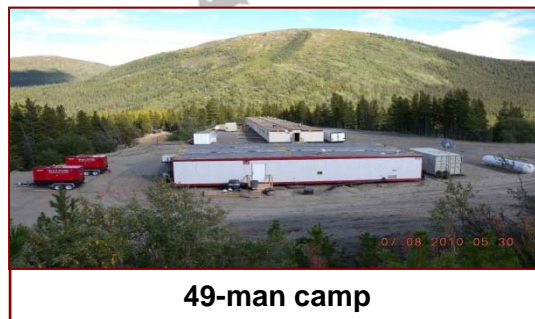
Achieved:

- ✓ Completed acquisition of 90% equity interest through 77.5% owned subsidiary, Henan Found
 - Includes 26.36 km² XBG mining permit, 350 tpd day flotation mill, tailing facility built in 2010, and an environmental permit to build a 1,000 tpd flotation mill
- ✓ Continued exploration, mine development, and small scale tunneling mining

Plan:

- Commence a comprehensive exploration program that includes surface and underground mapping and sampling, and surface and underground diamond drilling
- Self-fund the exploration program by cash-flow generated from continuing mining activities

Silvertip Project – Upcoming High-Grade Silver Mine in BC



49-man camp

Achieved:

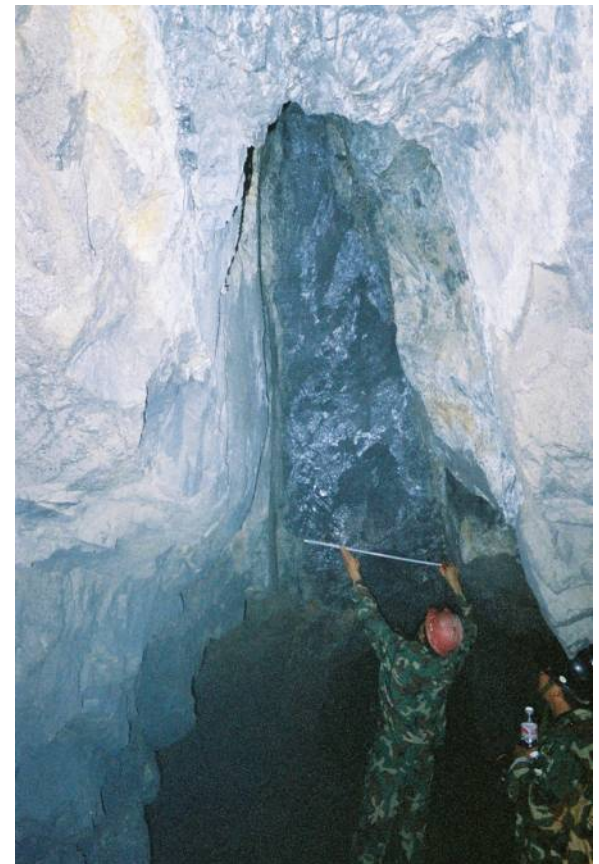
- ✓ Continued to prepare Small Mine Permit application
- ✓ Substantially completed the 2011 exploration program to test a new zone of silver-lead-zinc mineralization, with assay results pending

Plan:

- Complete environmental assessment and feasibility study
- Submit BC Small Mine Permit Application → Permit allows 75,000 t/y operation

Concluding Remarks

- ✓ Record cash flow from operations
- ✓ Strong growth in silver & gold production, sales, gross profits, and net income
- ✓ Successfully acquired XBG project, ramped up production at BYP while progressing GC and Silvertip properties towards production
- ✓ Continued aggressive 241,000m FY2012 drilling program planned for China properties
- ✓ 25% increase of quarterly dividend to CAD\$0.025/sh (annualized \$0.10/sh)



Further Contact Information:

Thank you for listening to Silvercorp's FY2012 Second Quarter Analyst Conference Call

For further Information, please contact:

Silvercorp's Investor Relations Department

Vancouver: 604-669-9397 or Toll Free (NA) 1-888-224-1881

Email: investor@silvercorp.ca Website: www.silvercorp.ca



Endnotes and Cautionary Statements

Myles Gao, P. Geo, Silvercorp's President & COO, is the "Qualified Person" within the meaning of National Instrument 43-101 – Standards Of Disclosure for Mineral Projects ("NI 43-101") who supervised the preparation of the scientific and technical information of Silvercorp included in this presentation. For more information on Silvercorp's projects, readers should refer to Silvercorp's Annual Information Form, dated March 31, 2011, and its technical reports, each of which is available on SEDAR at www.sedar.com.

The scientific and technical information related to Silvercorp's projects included in this investor presentation are derived from the technical reports entitled:

- NI 43-101 Technical Report, Resources and Reserves Update, SGX Mine, Ying Silver-Lead-Zinc District, Henan Province, People's Republic of China, dated May 20, 2011, prepared by Mel Klohn, L.P. Geol. and Chris Broili, L.P. Geol., C.P. Geol., BK Exploration Associates, Wenchang Ni, P. Eng., and Myles Gao, P. Geo., Silvercorp Metals Inc.
- NI 43-101 Technical Report, Resources and Reserves Update, HPG Mine, Ying Silver-Lead-Zinc District, Henan Province, People's Republic of China, dated May 20, 2011, prepared by Mel Klohn, L.P. Geol. and Chris Broili, L.P. Geol., C.P. Geol., BK Exploration Associates, Wenchang Ni, P. Eng., and Myles Gao, P. Geo., Silvercorp Metals Inc.
- NI 43-101 Technical Report, Resources and Reserves Update, TLP and LM Mine, Ying Silver-Lead-Zinc District, Henan Province, People's Republic of China, dated May 20, 2011, prepared by Mel Klohn, L.P. Geol. and Chris Broili, L.P. Geol., C.P. Geol., BK Exploration Associates, Wenchang Ni, P. Eng., and Myles Gao, P. Geo., Silvercorp Metals Inc.
- NI 43-101 Technical Report on the BYP Property, Hunan Province, China, dated June 24, 2011, prepared by Randal Cullen, P. Geo.
- NI 43-101 Technical Report and Resource Update 2011 on the Silvertip Property, Northern British Columbia, Canada, dated June 15, 2011, prepared by Randal D. Cullen, P. Geo.
- NI 43-101 Technical Report Update on the GC Ag-Zn-Pb Project in Guangdong Province, People's Republic of China, dated June 18, 2009, prepared by Brian O'Connor, P. Geo, AMC Mining Consultants (Canada) Ltd.
- A Preliminary Assessment of the Silvertip Deposit Northern BC, Canada, dated January 18, 2011, prepared by Golder Associates Ltd.