

SILVERCORP METALS INC.

Consolidated Statements of Cash Flow

(Unaudited - Expressed in thousands of U.S. dollars)

	Three Months Ended September 30,		Six Months Ended September 30,	
	2017	2016	2017	2016
Cash provided by				
Operating activities				
Net income	\$ 14,602	\$ 16,006	\$ 28,116	\$ 22,526
Add (deduct) items not affecting cash:				
Finance costs	112	260	217	524
Depreciation, amortization and depletion	4,741	6,029	9,493	11,349
Share of loss (income) in associate	125	(269)	369	(286)
Gain on disposal of NSR	-	-	(4,320)	-
Impairment of plant and equipment and mineral rights and properties	-	-	-	181
Income tax expense	5,263	5,938	9,284	8,738
Finance income	(650)	(537)	(1,224)	(968)
Loss (gain) on disposal of plant and equipment	6	(199)	176	65
Share-based compensation	283	197	686	440
Income taxes paid	(3,445)	(3,006)	(7,582)	(2,915)
Interest received	650	537	1,224	968
Interest paid	-	(50)	-	(101)
Changes in non-cash operating working capital	(977)	2,134	1,167	6,701
Net cash provided by operating activities	20,710	27,040	37,606	47,222
Investing activities				
Mineral rights and properties				
Capital expenditures	(5,022)	(5,688)	(10,933)	(10,708)
Plant and equipment				
Additions	(1,520)	(739)	(2,731)	(3,123)
Proceeds on disposals	19	15	19	32
Other investments				
Proceeds on disposals	-	33	-	33
Reclamation	(15)	-	(19)	(385)
Investment in associate	(20,025)	-	(20,025)	-
Net purchases of short-term investments	(28,063)	(1,995)	(31,767)	(5,976)
Net cash used in investing activities	(54,626)	(8,374)	(65,456)	(20,127)
Financing activities				
Non-controlling interests				
Distribution	-	(1,460)	(4,891)	(1,460)
Cash dividends distributed	-	-	(1,679)	-
Proceeds from issuance of common shares	165	82	168	297
Net cash provided by (used in) financing activities	165	(1,378)	(6,402)	(1,163)
Effect of exchange rate changes on cash and cash equivalents	820	(406)	2,618	(1,411)
(Decrease) increase in cash and cash equivalents	(32,931)	16,882	(31,634)	24,521
Cash and cash equivalents, beginning of the period	74,300	49,602	73,003	41,963
Cash and cash equivalents, end of the period	\$ 41,369	\$ 66,484	\$ 41,369	\$ 66,484