

SILVER CITY MINERALS LIMITED



ASX ANNOUNCEMENT

10 October 2017

Exploration Commenced on 6km Strike extension at Copper Blow

- **Ground geophysical surveys have commenced**
- **Potential for copper mineralisation under cover indicated by coincident magnetic and geochemical anomalies over 6 kilometre strike**

Silver City Minerals Limited (ASX: SCI) (“Silver City” or “the Company”) has commenced a number of geophysical surveys at Copper Blow, located approximately 20 kilometres south of Broken Hill. The work includes downhole electromagnetic (EM) surveys in holes recently drilled by SCI and detailed ground magnetic, gravity and moving loop electromagnetic (MLEM) surveys along the prospective horizon.

The work is designed to target additional high grade copper-gold mineralisation which is predominantly associated with magnetite in a shear zone. Mineralisation recently reported in the first two drill holes completed by Silver City at Copper Blow includes;

- **8.2 metres at 1.9% copper and 0.53 g/t gold from 131.8 metres in hole 17CB043**
- **4 metres at 6.1% copper, 4.23 g/t Au, 13 g/t Ag and 220 ppm cobalt from 188 metres, including 1 metres at 11.3% copper, 10.7 g/t gold, 25 g/t silver and 405 ppm cobalt from 191 metres in hole 17CB041.**
- **2 metres at 2.4% copper, 0.8 g/t gold, 5 g/t silver and 95 ppm cobalt from 162 metres in hole 17CB041**

These intersections comprise strong chalcopyrite (copper sulphide) mineralisation with lesser amounts of iron sulphides (pyrrhotite and pyrite) intimately associated with strong magnetite (ASX Releases 11 September 2017, 5 October 2017).

Collectively this mineral assemblage is characterised by high magnetic susceptibility, high electromagnetic conductivity and high density. The geophysical methods employed by SCI directly measure these physical properties. Elevated and coincident anomalies will provide the Company with excellent targets for further drilling.

The iron oxide mineral magnetite and a potassium-rich mica; biotite have been introduced into the mineralised shear forming a strong alteration zone, which the SCI drilling suggests is

at least 100 metres wide. Drilling also indicates this alteration extends to depths in excess of 400 metres.

Magnetite is easily discernible using airborne magnetic surveys. Within the exploration licence the magnetite anomaly is seen as an elongate linear feature extending for in excess of 6 kilometres.

Copper mineralisation such as the Company has encountered at Copper Blow occurs at structural discontinuities or bends within magnetic linear feature. The geophysical surveys currently underway are designed not only to directly measure the physical rock properties but also to map out prospective bends and crosscutting structures. Widespread historic RAB drilling already undertaken indicates a spatial relationship between the magnetic linear feature and copper-anomalous RAB samples (Figure 1).

The first phase of the geophysical survey focusses on the shear zone to the northeast of the Copper Blow Prospect and is likely to be completed in two weeks. Surveys to the west of Copper Blow are scheduled to follow.

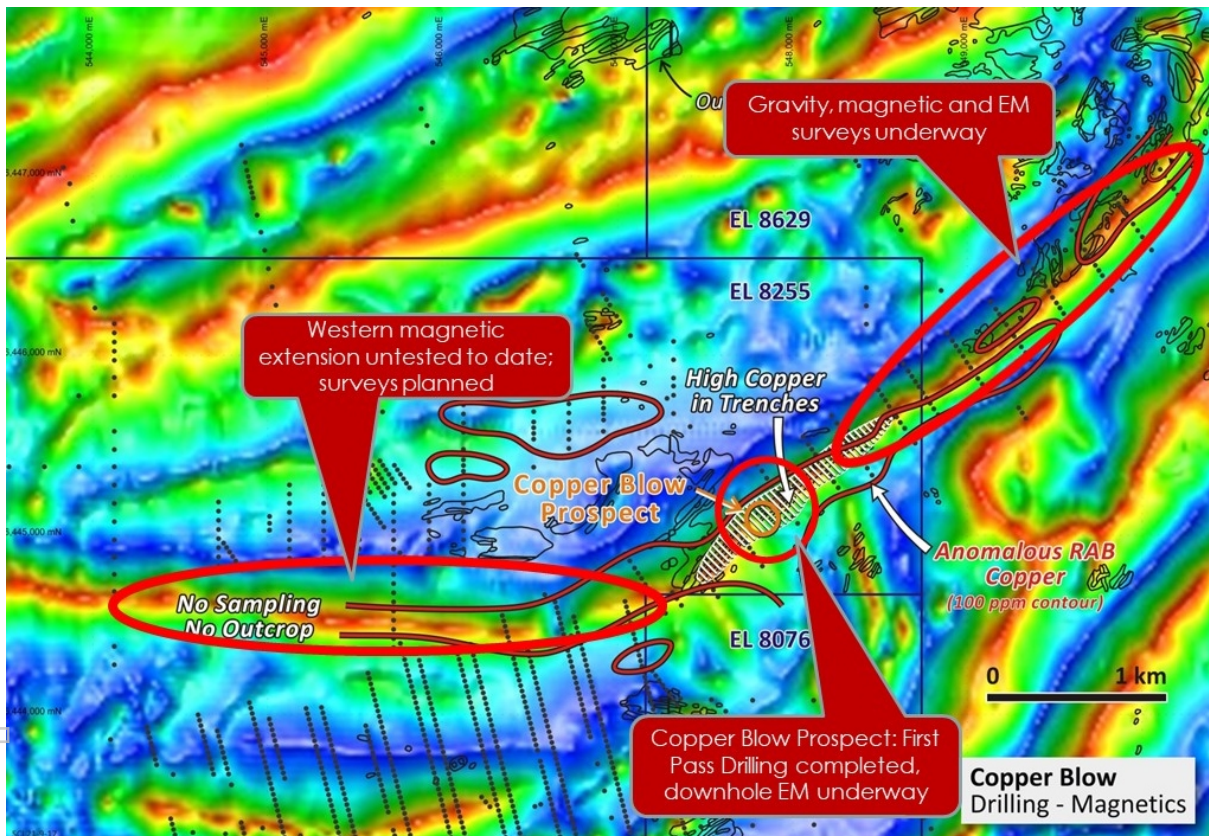


Figure 1 Diagram shows the Copper Blow Prospect located on a magnetic linear feature which extends northeast and west and collectively has a strike length of over 6 kilometres. This feature is broadly coincident with a RAB geochemical anomaly and is largely obscure by soil and alluvial cover. Historic RAB holes shown as black dots.

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Christopher Torrey
Managing Director

ABOUT Silver City Minerals Limited

Silver City Minerals Limited (SCI) is a base and precious metal explorer with a strong focus on the Broken Hill District of western New South Wales, Australia. It takes its name from the famous Silver City of Broken Hill, home of the world's largest accumulation of silver, lead and zinc; the Broken Hill Deposit. SCI was established in May 2008 and has been exploring the District where it controls Exploration Licences through 100% ownership and various joint venture agreements. It has a portfolio of highly prospective projects with drill-ready targets focused on high grade silver, gold and base-metals, and a pipeline of prospects moving toward the drill assessment stage. The Company continues to seek out quality projects for exploration and development.

Caution Regarding Forward Looking Information.

This document contains forward looking statements concerning Silver City Minerals Limited. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes. Forward looking statements in this document are based on Silver City's beliefs, opinions and estimates of Silver City Minerals as of the dates the forward looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future development.

Competent Persons

The information in this report that relates to Exploration Results is based on information compiled by Chris Torrey (BSc, MSc, RPGeo Mineral Exploration), who is a member of the Australian Institute of Geoscientists. Mr Torrey is the Managing Director, a shareholder and full time employee of Silver City Minerals Limited. Mr Torrey has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as "Competent Persons" as defined by the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Torrey, consents to the inclusion in this Report of the matters based on this information in the form and context in which it appears.

CONTACT DETAILS

Management and Directors

Bob Besley	Chairman
Chris Torrey	Managing Director
Greg Jones	Non-Executive Director
Ian Plimer	Non-Executive Director
Josh Puckridge	Non-Executive Director
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