



ASX ANNOUNCEMENT

21 August 2017

Drill Testing of High Grade Copper-Gold Mineralisation at Copper Blow to Start 28th August

- **Initial 2,600m drilling programme at Copper Blow to commence on 28th August**
- **Drilling to test a 750m long target (within a prospective 4km horizon) where historic drilling intersected multiple lenses of significant copper-gold mineralisation within an 80-120m wide zone including:**
 - **11.8m at 6.7% Cu and 1.9 g/t Au**
 - **15m at 2.7% Cu and 0.53 g/t Au**
- **Drilling program to cost approximately \$0.3m and with approximately \$1.5m in cash following the recent capital raising the Company is well funded for immediate follow up programs**

Silver City Minerals Limited (ASX;SCI) (“Silver City” or “Company”) is pleased to announce the drilling programme at the high grade Copper Blow Project located approximately 20 kilometres south of Broken Hill is scheduled to commence on the 28th August 2017.

The drilling programme will include both reverse circulation (RC) and diamond drilling (DD) and total approximately 2,600 metres.

The mineralised target zone hosting multiple copper-gold lenses intersected in historical drilling and old workings extends for over 1 kilometre and is 80 metres to 120 metres wide. The mineralisation is associated with magnetite and correlates with a linear magnetic anomaly. This linear magnetic feature extends for a further 3 kilometres along strike to the north east mostly under alluvial cover and is untested.

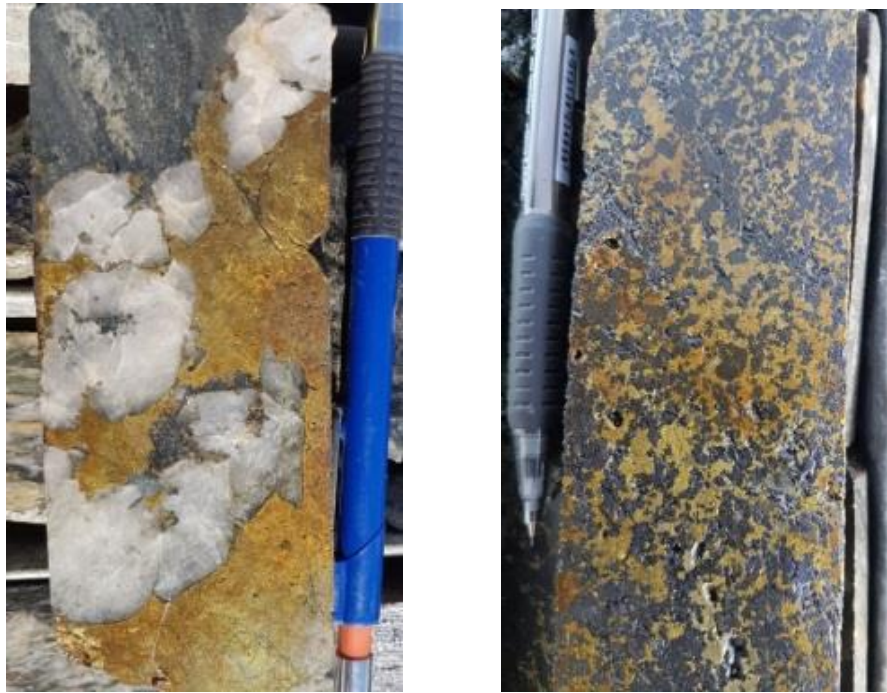


Figure 1. Examples of high grade copper mineralisation. Combinations of chalcopyrite, pyrite, magnetite, biotite and quartz.

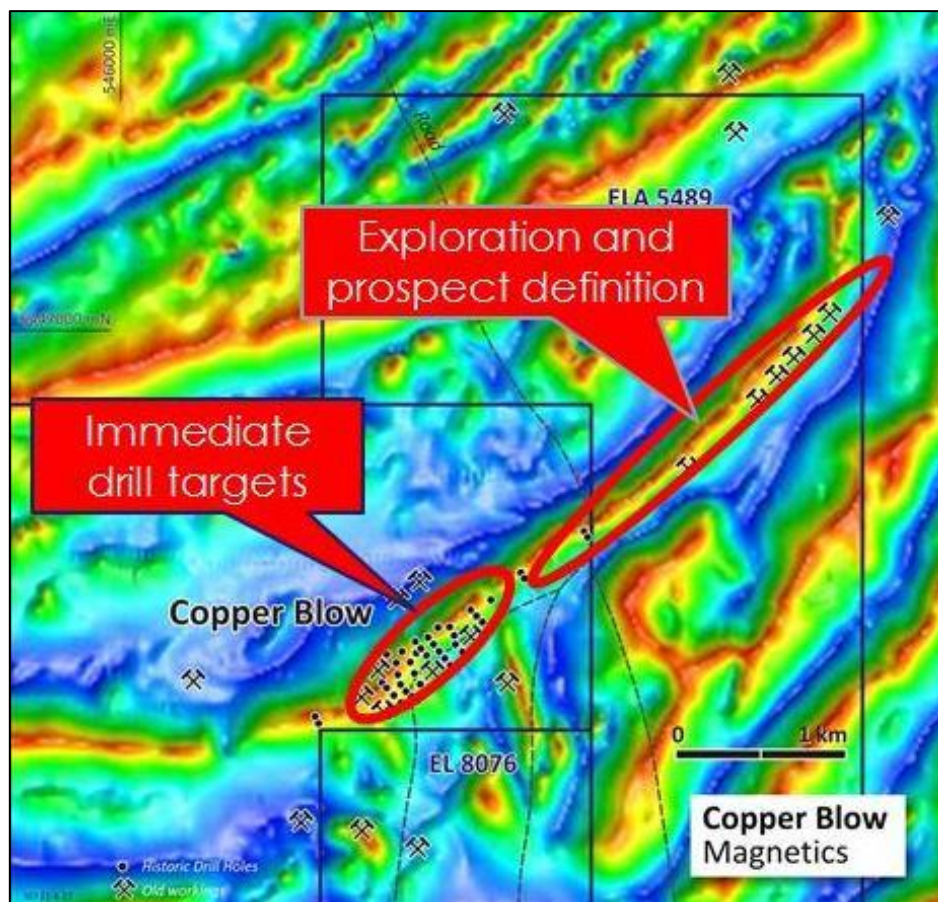


Figure 2. Regional map showing the Copper Blow project at the southwestern end of a prospective magnetic horizon which extends for 4 kilometres. The proposed drill program at Copper Blow tests a strike length of approximately 750 metres with the remainder of the 4 kilometres to be assessed by future exploration.

Results of Silver City's compilation of historical data dating back to 1887 have been reported in ASX Releases of 4 May 2017, 19 June 2017 and 18 July 2017. Historical drill results that are within the target zone of Silver City's drilling programme include:

- 11.8 metres at 6.7% Cu, 1.92 g/t Au
- 15 metres at 2.7% Cu, 0.53 g/t Au
- 19.2 metres at 1.8% Cu (incomplete Au analyses) including 0.9 metres at 2.1% Cu and 3.0 metres at 4.6% Cu, 0.62 g/t Au
- 4 metres at 3.9% Cu, 0.29 g/t Au
- 6 metres at 5.0% Cu, 0.51 g/t Au
- 2.7 metres at 5.7% Cu, 4.2 g/t Au
- 2.1 metres at 3.2% Cu, 0.65 g/t Au

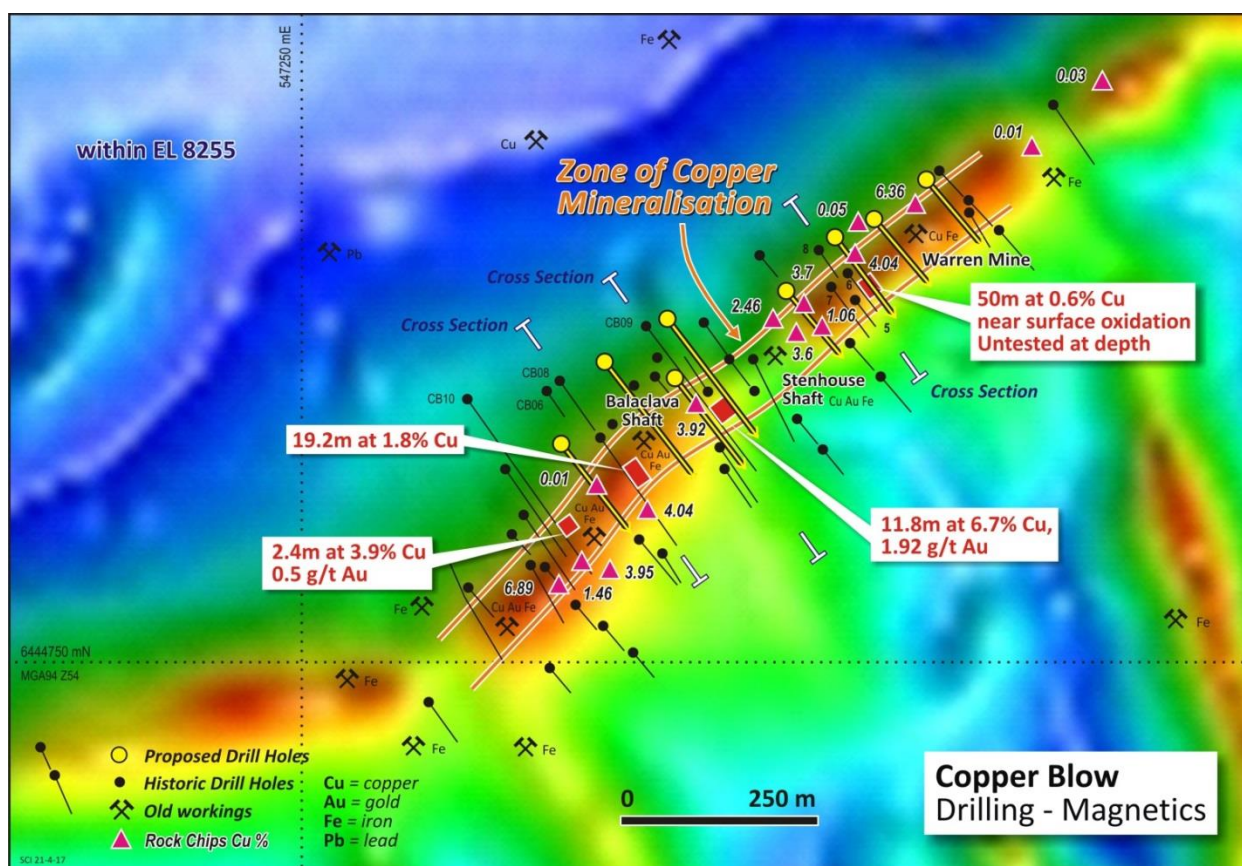


Figure 3. Copper Blow project drill hole intersections and rock chip sample results. Strong correlation between magnetic rocks and high grade copper. Approximate locations of proposed holes shown in yellow.

Results of rock chip sampling from surface exposures and old mine dumps by Silver City (ASX Release 19 July 2017) confirmed that the copper/gold mineralisation has high levels of silver, cobalt, rare earths and molybdenum that are typical of Iron Oxide Copper Gold deposits such as Olympic Dam, Prominent Hill and Carrapateena located across the border in South Australia.

Following the recent successful capital raising the Company has cash reserves of approximately \$1.5 million. The Company's share of the cost of the current drilling programme is expected to be around \$350,000 with funds available for immediate follow up programmes.

The Copper Blow Project is a contributing joint venture between Silver City (75%) and CBH Resources (25%). CBH operate the Rasp Mine and base metal processing facility at Broken Hill.

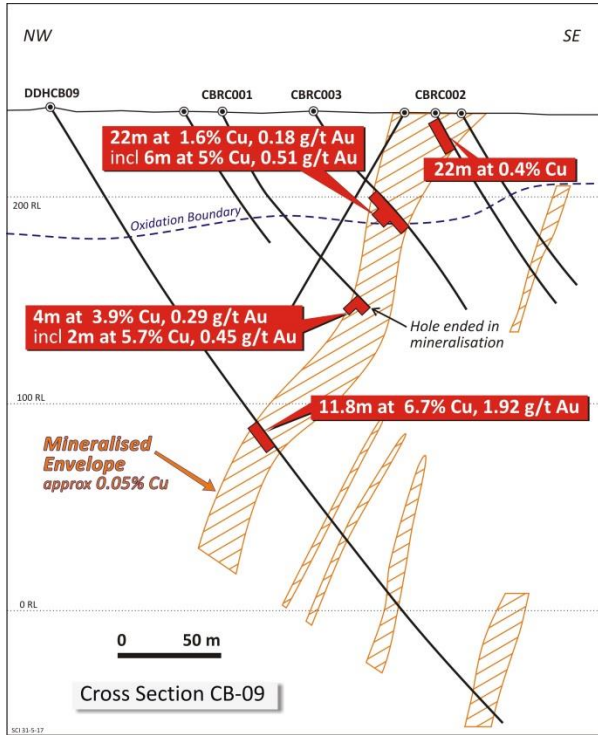


Figure 4. Cross section CB-09

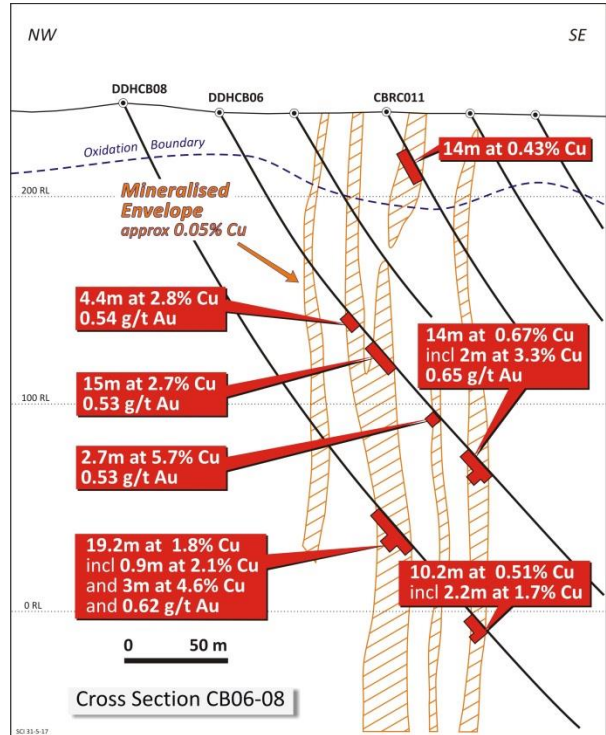


Figure 5. Cross section CB06-08

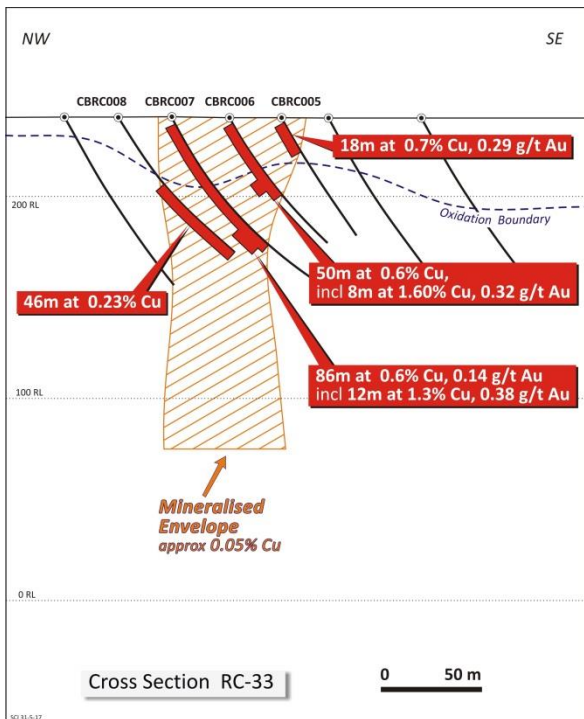


Figure 6. Northern-most cross section RC-33

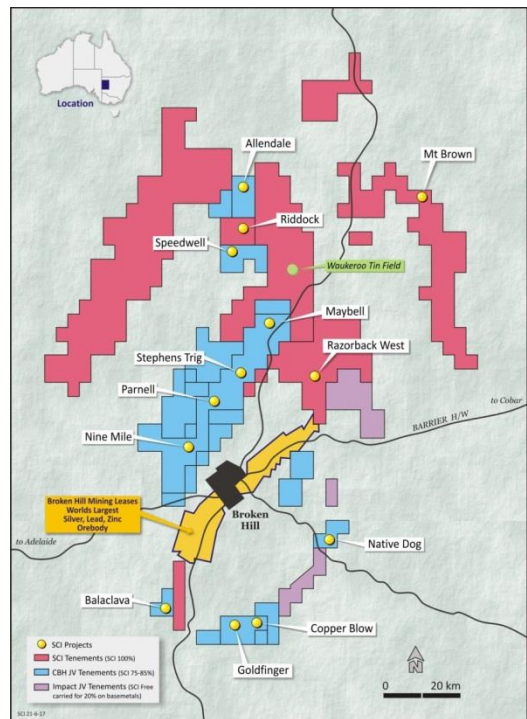


Figure 7. Location of the Copper Blow Project

SILVER CITY MINERALS LIMITED



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
Ivo Polovineo	Company Secretary

Registered Office

Level 1, 80 Chandos Street,
St Leonards, NSW 2065, Australia
PO Box 956, Crows Nest, NSW 1585, Australia
Ph: +61 2 9437 1737
Fax: +61 2 9906 5233
Email: info@silvercityminerals.com.au
Web: www.silvercityminerals.com.au

-END-