



## Annual General Meeting - 21 November 2011 Chairman's Address to Shareholders

Ladies and Gentlemen,

It is with great pleasure that I welcome you to the first Annual General Meeting of your company since listing on the ASX.

The IPO for the Company was strongly supported with \$9.8 million raised. Silver City Limited was listed on the ASX on 6<sup>th</sup> July 2011.

Leading up to the IPO the Company had acquired what the Directors believe to be an outstanding portfolio of exploration properties in the Broken Hill District of NSW and applied a high level of geological expertise to develop a range of exciting targets ready for drill testing. Within two weeks of listing drilling had commenced on the first target at the Allendale Project as part of a major drilling campaign to test six priority project areas.

The 2011 Annual Report tells the story of the past year's achievements and in particular provides insight into the prospectivity of the Company's tenements and details of the targets to be tested.

Since the annual reporting period excellent drilling results have been reported from Allendale with a number of significant intersections of zinc, lead and silver. First pass drilling has also been completed on the Maybell silver project and Stephen's Trig zinc, lead silver project with assay results yet to be received. Drilling has commenced on the Golden King copper, gold project, an outcropping 800 metre long mineralized zone.

A geophysical survey (Induced Polarisation) has been completed at the Yellowstone gold, copper project and has located a number of near surface targets that will be drilled in current programme. The Razorback West Project represents a possible northern extension of the Broken Hill line of lode that has been offset by faulting and covered by recent alluvium. A RAB drilling programme has been completed to bedrock that has further defined and extended the zinc and lead geochemical anomalies and these will be tested early in the new year.

The Company is well placed to benefit from the strong silver prices now prevailing with a range of old silver mines targeted for exploration, many of which have never been drilled.

Silver City is fortunate to have a very strong technical team working under managing director Chris Torrey and I believe we can look forward with confidence to positive exploration results in the coming year.

Bob Besley - Chairman