



ASX ANNOUNCEMENT

10 February 2012

Drilling Results at the Yellowstone Gold-Copper Project, near Broken Hill, NSW

Silver City Minerals Limited (ASX:SCI) is pleased to announce that it has received results for six reverse circulation (RC) drill holes completed at its Yellowstone project. Best results are outlined below.

- 4 metres at 1.5 g/t gold and 0.2% copper from 68 metres in hole YE009.
- 4 metres at 54.2 g/t silver and 0.15% copper from 73 metres in hole YE010.

Background

In October of 2010 the Company (SCI) entered into a farm-in and joint venture agreement with Golden Cross Resources Limited (GCR) with respect to Exploration Licence 7390 to the northeast of Broken Hill (Figure 1). A steeply dipping ironstone and siliceous gossan horizon at Yellowstone, hosted within the Yellowstone Shear Zone, had been identified. It had returned copper and gold anomalous rock chip samples at surface (up to 16 g/t gold) and shallow historic drilling hosted similarly anomalous samples most of which occurred in the oxide zone (for example 8 metres of 0.59% copper and 1 metre of 8.61 g/t gold). An historic induced polarisation geophysical survey (IP) suggested that sulphide minerals exist at depth and that the project had not been adequately drill-tested (see SCI Prospectus for details).

As a prelude to drilling SCI conducted a larger IP survey in order to identify other potential sulphide-bearing zones within the Shear Zone. A number of chargeability anomalies were identified and in particular a one kilometre long anomaly was identified that included mineralisation intersected in previous drilling and the gossan outcrop.

Drilling

A total of 6 RC holes were completed (YE009, YE10 and YE 12 to 015). Holes 9 and 10 were designed to test beneath gossan outcrops in the area of previous historic drilling and holes 12 to 15 tested chargeability anomalies outlined in the IP survey (Figure 2). All holes returned appreciable quantities of iron sulphide minerals pyrite, and locally pyrrhotite. The mineralised intersections in holes YE009 and YE010 correlate well with

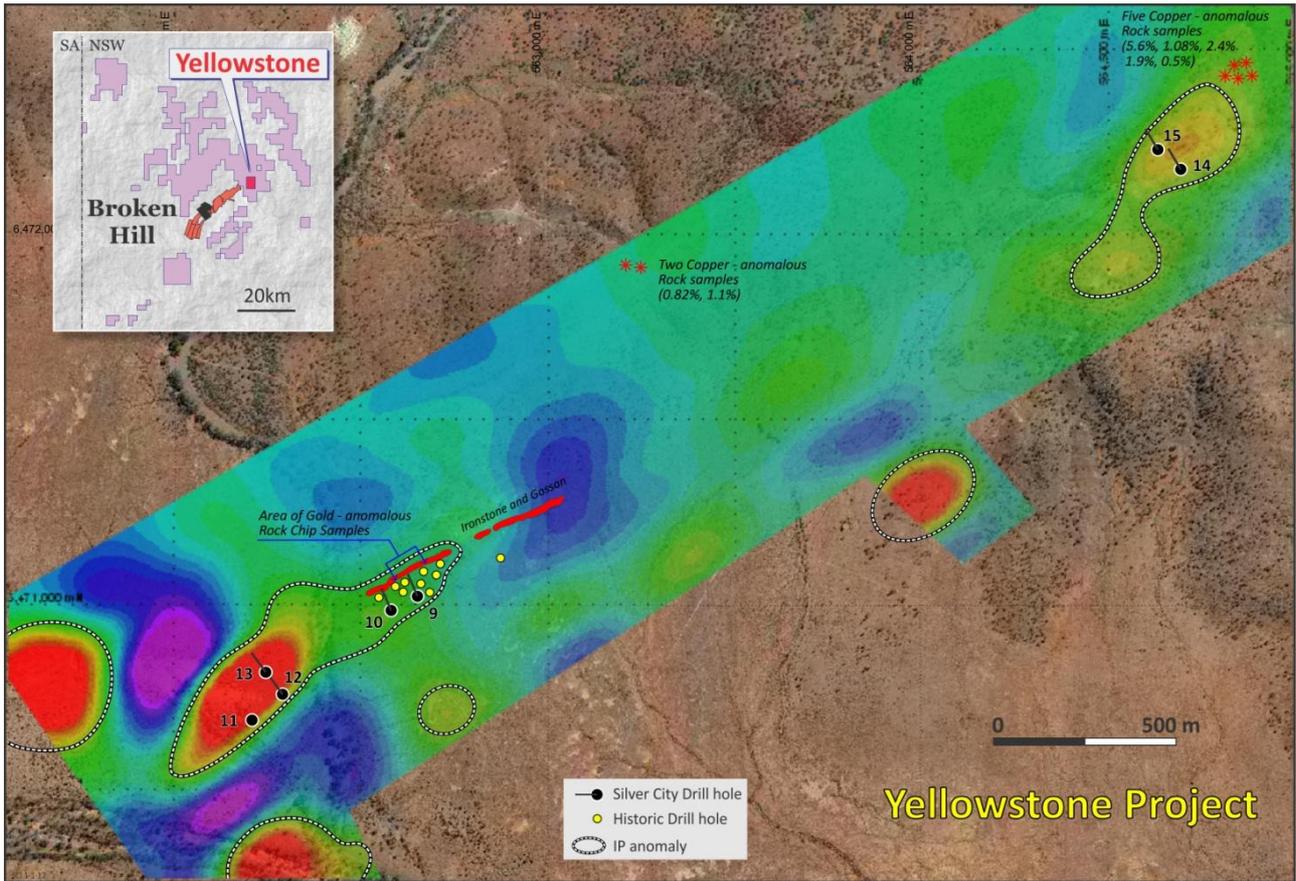


Figure 2. Yellowstone IP survey. Chargeability response modelled at approximately 100 metres below surface. Diagram shows the location of both historic and recent Silver City holes.

Hole Number	GDA East (m)	GDA North (m)	Azimuth (degrees)	Declination (degrees)	From (m)	Interval (m)	Copper (%)	Gold (g/t)	Silver (g/t)
YE009	562649	6471026	335	-60	68	4	0.2	1.50	4.3
YE010	562585	6470986	335	-60	73	4	0.15	-	54.2

Note: 1 metre samples collected from cyclone splitter, nominal sample size 2.5 kilograms and analytical method ALS codes ME ICP41 and ME OG46 (www.alsglobal.com).

SILVER CITY MINERALS LIMITED


Christopher Torrey
Managing Director

Competent Person

The information in this report that relates to Exploration Results is based on information compiled by Chris Torrey (BSc, MSc, RPGeo.) who is a member of the Australian Institute of Geoscientists. Mr Torrey is the Managing Director 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 he is undertaking to qualify as a "Competent Person" as defined by the 2004 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.

ABOUT Silver City Minerals Limited

Silver City Minerals Limited (SCI) is a base and precious metal explorer focused 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 one of the world's largest accumulations of silver, lead and zinc; the Broken Hill Deposit. SCI was established in May 2008 to explore specifically in the District where it controls Exploration tenements through 100% ownership and various Sale and Joint Venture agreements. It has a portfolio of highly prospective ground with drill-ready targets focused on high grade silver, gold and base-metals, and a pipeline of prospects moving toward the drill assessment stage.

CONTACT DETAILS**Management and Directors**

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