



ASX ANNOUNCEMENT

18 April 2012

Drilling Commences at Razorback West near Broken Hill, NSW

Silver City Minerals Limited (ASX:SCI) is pleased to announce that it has commenced drilling at the Razorback West project. A program of approximately 1600 metres of reverse circulation drilling has been initiated. Razorback West is a large coincident geochemical and gravity anomaly located under alluvial and soil cover to the north of the Broken Hill. It has the potential to represent the northern, fault offset extension to the Broken Hill deposit.

Chairman Bob Besley commented

“...To date, no drilling has been undertaken to assess the gravity or geochemical anomalies at Razorback West despite their size, continuity and favourable location with respect to the Broken Hill deposit. The Company has outlined a significant geochemical anomaly located just to the north of one of the world’s largest geochemical anomalies; the Broken Hill deposit. I am pleased that Silver City Minerals will be the first to drill test the area...”

Background

The Razorback West project is located approximately 20 kilometres northeast of Broken Hill. The project was one of six key projects outlined in the SCI Prospectus in July 2011.

Razorback West is characterised by a large lead and zinc anomaly which has been detected in historic auger and RAB sampling programs including two undertaken by the Company (Figure 1). Geochemically anomalous rocks occur mostly beneath a cover of soil and transported alluvium between 5 and 30m thick. Within this anomalous zone, samples range in value from less than 10ppm to 1,000ppm lead and less than 10ppm to 2,560ppm zinc (Figure 2). The most coherent anomaly appears to be zinc. It extends in a southwest-northeast orientation, is 5 kilometres long and locally 200 to 400 metres wide. Elevated manganese, an important constituent of prospective lode rocks in Broken Hill type (BHT) deposits, coincides with both lead and zinc anomalies with values in peak anomalies at 1.2% manganese.

The geology in the zone is poorly understood due to poor outcrop, but interpretive government survey maps indicate that the rocks belong to the favourable Broken Hill Group. The zinc anomaly in particular overlies a ridge of gravity anomalism which extends for 6km along strike. The location of this ridge and the geochemical anomaly sits in a

similar position to the Broken Hill deposit with respect to the very large gravity anomaly which underlies the district (Figure 2).

Silver City believes that this prospect has the potential to represent the northern extension of the Broken Hill Line of Lode which has been offset westward by the Stephens Creek Shear Zone. This interpretation is supported by a westward offset in mapped geology and gravity anomalies. As such this represents a highly attractive exploration target for the Company.

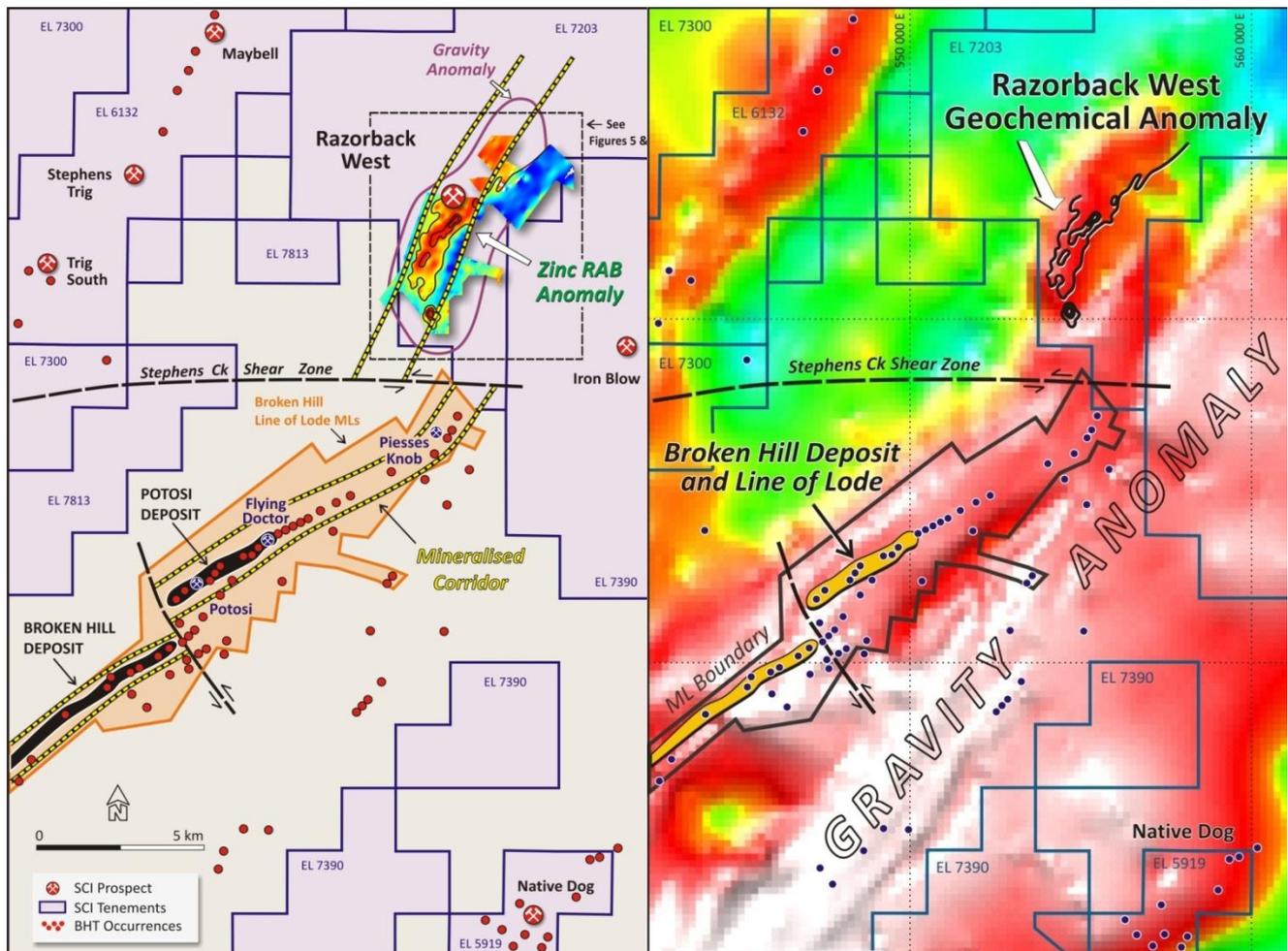


Figure 1. Diagrams show the Razorback West geochemical anomaly with respect to the Broken Hill deposit and the district-wide gravity anomaly. The Broken Hill deposit lies on a western gravity ridge within the regional anomaly as does the Razorback West geochemical anomaly.

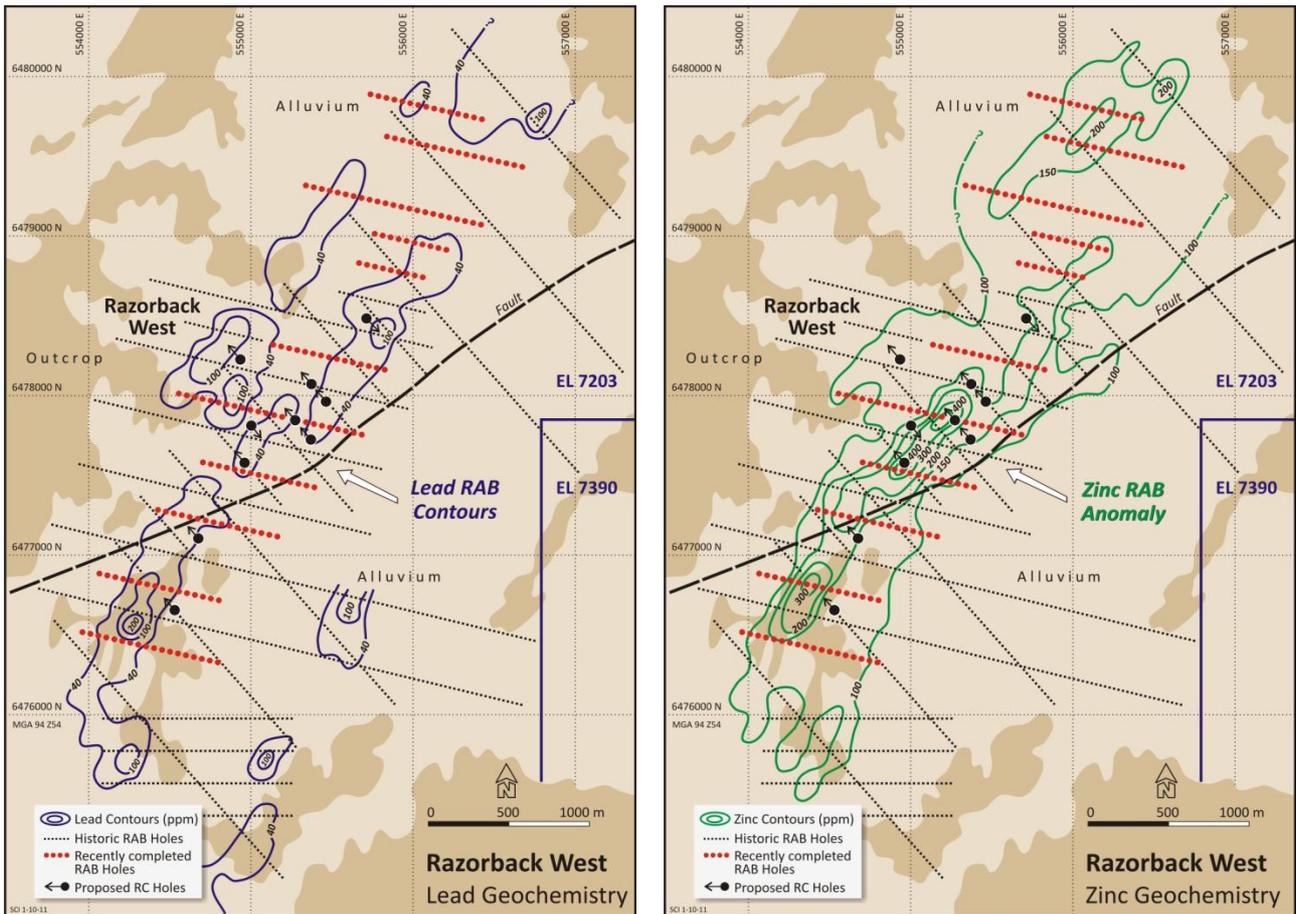


Figure 2. Lead and zinc geochemistry within the Razorback West project area.

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 Licences and Mineral Claims 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
Yanina Barila	Alternate Director
Ivo Polovineo	Company Secretary
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