



## ASX ANNOUNCEMENT

14 May 2012

### Silver Intersection at Umberumberka

#### 2 metres at 254 g/t silver and 6.3% lead in hole 12UM002 from 39 metres

Silver City Minerals Limited (ASX:SCI) is pleased to announce the results of its first-pass drilling program at the old Umberumberka Silver Mine near the town of Silverton, New South Wales, Australia. The Company has completed five shallow reverse circulation (RC) drill holes to test for extensions to mineralisation around the old mine (Table 1). Hole 12UM002 successfully intersected a silver-bearing structure returning 11 metres at 57 g/t silver and 1.3% lead from 34 metres. Within this broader zone was a two metre intersection, from 39 metres, of mixed oxide and sulphide material which returned 254 g/t silver and 6.3% lead. The estimated true thickness of this intersection is 1.7 metres.

Holes 12UM004 and 12UM005 failed to fully penetrate the vein structure because both intersected old mine workings where drilling had to be curtailed. Hole 12UM001 intersected up to 10% quartz vein material and 1 to 15% pyrite within the structure between 41 to 52 metres with anomalous, but low silver grades (range 0.5 to 1.5 g/t silver). Hole 12UM003 intersected a broad shear zone some 30 metres wide from 33 metres which similarly contains disseminated pyrite and returned anomalous but low grade silver (range 0.5 to 7.0 g/t silver). Preliminary interpretation of the geological setting suggests mineralisation occurs in sheared rocks near the contact between sandstone units and a finer, locally graphitic siltstone. The overall dip of the mineralised structure is about 65-70 degrees to the south.

This recent drilling was undertaken with a small, compact rig that was available at the time and was not completely successful in penetrating and testing the main silver-bearing structure. The Company plans to drill at least two more holes beneath the old workings using a larger drill rig to ensure an adequate test.

### **Background**

The historic Umberumberka silver mine has an historic production in the order of 39,000 tonnes at grade of approximately 10% lead and 800 g/t silver. The Main Umberumberka Lode has been interpreted to extend for 1.5 kilometres in strike. The Chloride Lode which lies to the north has a strike length of 2 kilometres and converges with the Umberumberka Lode close to the location of the main workings. The lodes are characterised by the

presence of quartz-siderite-galena veins in a strong shear zone. The galena (lead sulphide) is considered to be the source of the high grade silver.

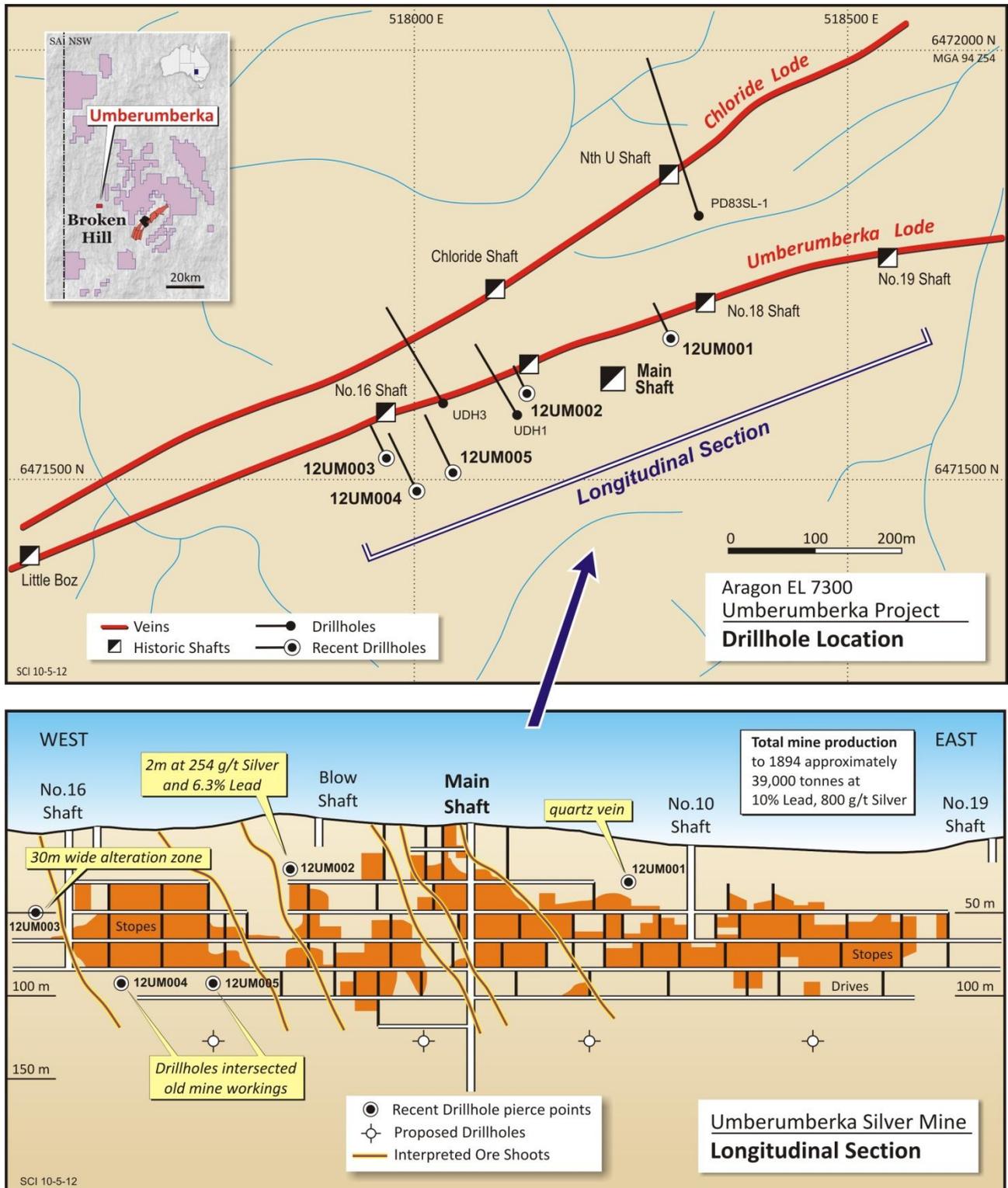


Figure 1 Plan shows the drill holes and location of known silver-bearing veins. The longitudinal section shows the piercement point of Silver City holes in the plane of the Umberumberka vein and the extent of the old mine workings.

Table 1 Drill Hole Information.

Hole No.	East (GDA)	North (GDA)	Azimuth (Degrees)	Declination (degrees)	Total Depth (metres)
12UM001	518293	6471669	337	-60	96
12UM002	518130	6471601	337	-60	70
12UM003	517968	6471527	337	-60	95
12UM004	518004	6471487	337	-60	115
12UM005	518043	6471512	337	-65	113

## 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.

*Compliance Note:* Individual 1 metre samples were collected using a cyclone splitter for a nominal sample size of approximately 2 kilograms per sample. In addition a spear-sample of the bulk on-site sample was collected in 3 metres composites for a nominal sample size of 2 kilograms. Analyses of the 3 metre composites were completed for all holes and the 1 metre samples were submitted only if there was visual evidence of mineralisation. To date only intervals from 33 to 45 metres in 12UM002, 112 to 115 metres in 12UM004 and 110 to 113 metres in 12UM005 have been analysed using the 1 metre samples. Analytical methods were aqua regia ICP-AES (ALS Global Codes ME-ICP41 and OG46; www.alsglobal.com). For quality control analytical standards were inserted approximately every 30<sup>th</sup> sample and duplicates were taken every 30<sup>th</sup> sample.

## 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
Yanina Barila	Alternate Director
Ivo Polovineo	Company Secretary
Gordon McLean	Exploration Manager

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