



ASX ANNOUNCEMENT

19 March 2013

Silver City Minerals to commence new round of drilling at Broken Hill

- **Silver City continues exploration for silver-rich base-metal sulphide deposits at Broken Hill.**
- **Drilling is set to commence early April.**

Silver City Minerals Limited (ASX:SCI) is pleased to announce it has recently signed a contract with a drilling services provider to undertake 3000-4000 metres of drilling on five projects commencing early in April 2013. Work will include both reverse circulation (RC) and diamond drilling and has been designed to assess a variety of mineral targets outlined below.

Allendale

Recent downhole electromagnetic (EM) and magnetometric resistivity (MMR) geophysical surveys designed to define areas containing thick sulphide bodies has delineated a conductor to the south and offset from existing holes. A deep RC hole has been designed to test this.

Mount Brown

A corridor of tightly folded lode rocks hosting numerous base-metal and silver-enriched gossans will be assessed with five RC holes within an area of no previous drilling. This will commence after the Easter holiday.

Razorback West

Strongly coincident induced polarisation (IP), gravity and geochemical anomalies have been delineated in areas of poor outcrop to the north of Broken Hill. There is currently no indication as to the source of these anomalies at surface. The Company plans to test these with a program of combined RC and diamond drilling to depths of 300 metres in three or four holes. These anomalies have the potential to represent a deep northern, fault-offset extension to the famous Broken Hill line of lode and as such provide an attractive target for SCI.

Native Dog

SCI has conducted geological mapping over the tenement at 1:5000 scale, re-logged existing drill core and more recently compiled an extensive historic exploration database over the area. The combined data shows that historic drill holes are limited in number and have not systematically tested all targets. SCI has identified lead-rich outcropping gossans, significant IP anomalies and areas of strong base-metal and silver geochemistry in soils which will be tested initially by four RC holes planned to commence in mid-April.

Parnell

The historic Parnell Mine is a Broken Hill type occurrence located 15 kilometres north of Broken Hill. Old mine workings from the late 1800s have mined an aggregate of almost 1600 tonnes of galena-rich material. Grades recorded from various mining campaigns up to 1971 range from 18 to 33% lead, 120 to 760 g/t silver and 2 to 3% zinc. Geological assessments suggests that extensions to mineralisation extend southward beneath a large area of alluvial cover. A rotary airblast (RAB) program conducted in December last year outlined a trend of subdued but persistent anomalism in zinc and lead which extends for at least 650 metres beneath the alluvial flats at Parnell South. SCI plans to drill four RC holes to test these extensions in late April.

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 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

Registered Office

Level 1, 80 Chandos Street, St Leonards, NSW 2065
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

RAZORBACK WEST IP SURVEY – JANUARY 15, 2013

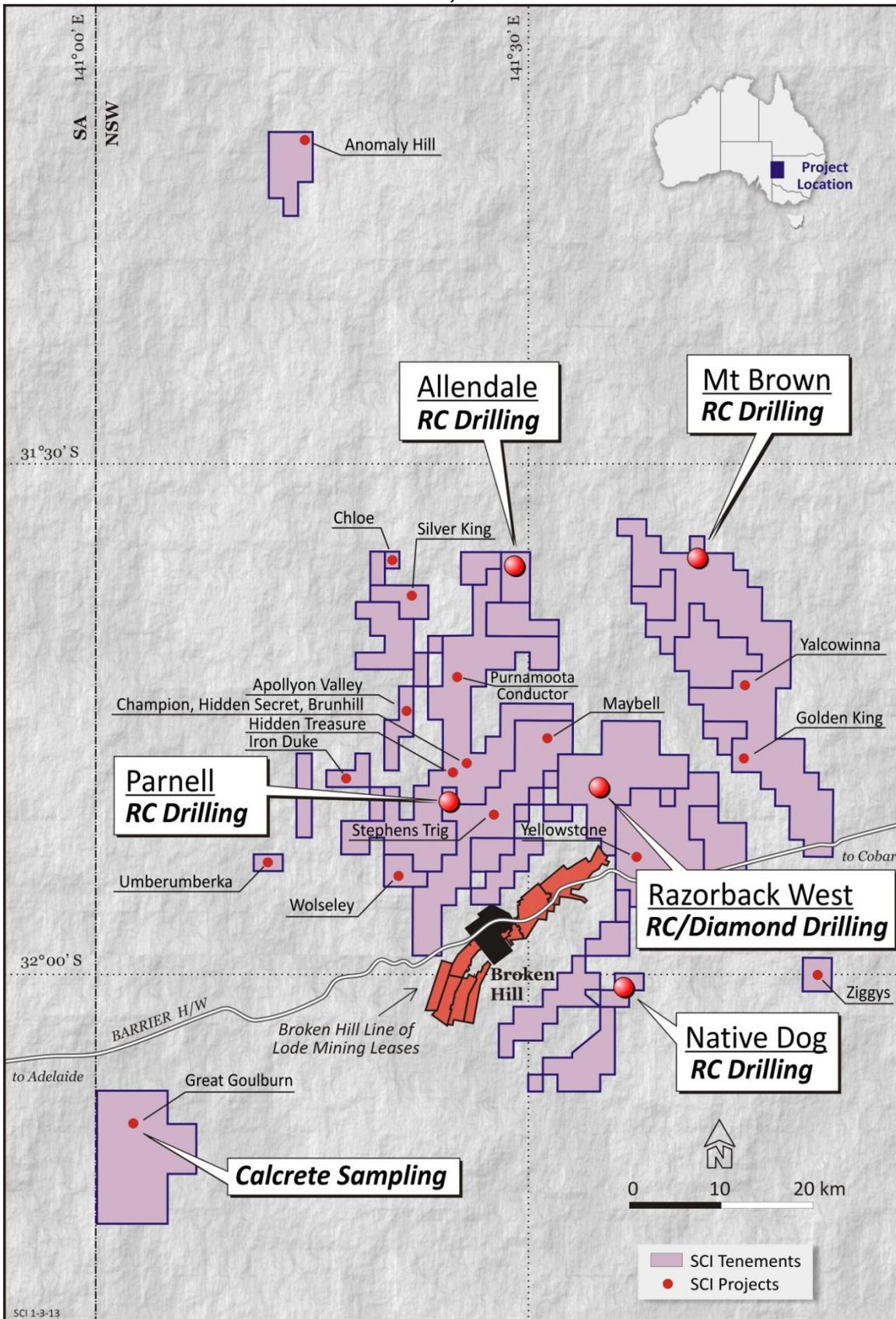


Figure 1. Silver City tenements and project locations.