



28 February 2018

\$1.96 Million Share Placement to Drill the Copper Blow Project

Key Highlights

- **\$1.96 million share placement to fund high impact drilling program on the Copper Blow Project located near Broken Hill**
- **4,500 metre drill program to commence in March to follow excellent copper-gold-cobalt intersections**
- **Upon completion of the capital raising, the Company will have circa \$2.2 million in cash (after costs of the issue) and is highly leveraged to drilling success given its low market capitalisation**

Silver City Minerals Limited (ASX: SCI) (“**Silver City**” or the “**Company**”) is pleased to announce a placement of new shares to sophisticated investors for a total value of \$1.96 million (“**Placement**”). The Placement is for an issue of 49.07 million ordinary shares at an issue price of 4 cents per share. The issue will comprise 29,442,215 shares pursuant to Listing Rule 7.1 and 19,628,135 shares pursuant to Listing Rule 7.1A.

A new cornerstone investor, Mr Geoff Loudon through the L&M Group, has taken up 13.25 million shares under the placement representing 5.4% of the company’s expanded capital.

The issue price of the shares represents a 15% discount to the volume weighted average price (**VWAP**) of the Company’s Shares on the Australian Securities Exchange (**ASX**) during the 10 trading days immediately prior to the Placement date, and no less than 75% of the 15 trading day VWAP of the Company’s shares. The Placement is expected to settle by 6 March 2018. Subscribers were subject to severe scale-back following heavy demand.

Blackwood Capital Pty Ltd was Lead Manager to the Placement.

The Company has completed two drill programs at Copper Blow located 20 kilometres south of Broken Hill. Initial drilling returned high grade intersections from the South Zone.

- **4 metres at 6.1% copper, 4.23 g/t gold**
- **7 metres at 3.7% copper, 1.07 g/t gold**

More recent drilling of the North Zone returned an excellent, broad drill intersection of

- **41.2 metres at 1.3% copper and 0.42 g/t gold**

Mineralisation in this intersection is open in all directions along strike and down dip.

The project is considered to be a new Iron Oxide Copper Gold (IOCG) discovery and the capital raising will enable the Company to complete a significant drill program both in the area of mineralisation outlined by recent drilling and further targets along a strike length of 4.5 kilometres.

The Copper Blow project is a contributing joint venture between SCI (75%) and CBH (25%). CBH has agreed to the next round of drilling and will contribute 25% to the exploration expenditure. CBH Resources Ltd owns and operates the Rasp Mine and sulphide concentrator in Broken Hill 20 kilometres to the north of Copper Blow.

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ABOUT Silver City Minerals Limited

Silver City Minerals Limited (SCI) is a base and precious metal explorer with a strong focus 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 the world's largest accumulation of silver, lead and zinc; the Broken Hill Deposit. SCI was established in May 2008 and has been exploring the District where it controls Exploration Licences through 100% ownership and various joint venture agreements. It has a portfolio of highly prospective projects with drill-ready targets focused on high grade silver, gold and base-metals, and a pipeline of prospects moving toward the drill assessment stage. The Company continues to seek out quality projects for exploration and development.

Caution Regarding Forward Looking Information.

This document contains forward looking statements concerning Silver City Minerals Limited. Forward-looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward-looking statements as a result of a variety of risks, uncertainties and other factors. Forward-looking statements are inherently subject to business, economic, competitive, political and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward-looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes. Forward looking statements in this document are based on Silver City's beliefs, opinions and estimates of Silver City Minerals as of the dates the forward-looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future development.

Competent Persons

The information in this report that relates to Exploration Results is based on information compiled by Chris Torrey (BSc, MSc, RPGeo Mineral Exploration), who is a member of the Australian Institute of Geoscientists. Mr Torrey is the Managing Director, a shareholder 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 they are undertaking to qualify as "Competent Persons" as defined by the 2012 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.

Reports

The drilling results referred to in this release have been reported in the following ASX Releases; 26 October 2017 and 22 February 2018. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Component Person's findings are presented has not been materially modified from the original market announcement.