



## ASX ANNOUNCEMENT

27 September 2017

### **Trench Results Confirm High Grade Copper-Gold at Copper Blow**

The following are significant results from nine historical trenches covering a 1000 metres strike length of the Copper Blow outcropping mineralisation.

- 3 metres at 8.9% copper and 0.13 g/t gold
- 3 metres at 8.4% copper and 0.60 g/t gold
- 3 metres at 5.8% copper and 0.61 g/t gold
- 4 metres at 5.7% copper and 0.06 g/t gold
- 4 metres at 4.1% copper and 1.56 g/t gold
- 6 metres at 2.5% copper and 1.12 g/t gold

Plotting of old RAB hole geochemical data shows a copper anomaly over Copper Blow extending along strike for 6 kilometres and coincident with a linear magnetic anomaly.

Silver City Minerals Limited (ASX: SCI) (“Silver City” or “the Company”) is pleased to announce historic trench and rotary air blast drill (RAB) results that highlight the Copper Blow project and indicate strong potential for copper mineralisation along strike establishing the Copper Blow system as a potential tier one copper-gold project.

Copper in old RAB geochemical holes is anomalous both west and northeast of Copper Blow over a total strike length in excess of 6 kilometres where it is largely coincide with a prospective magnetic linear. The paucity of outcrop and lack of historic exploration along the magnetic feature presents significant upside for discovery of new high grade copper zones.

The Company is currently drilling at Copper Blow and has completed seven holes of an eleven hole program. Results from the first diamond hole in the program has returned an intersection of **8.32 metres at 1.9% copper and 0.53 g/t gold including 4 metres at 2.5 % copper and 0.83 g/t gold** (ASX Release 26 September 2017). Assay results are awaited for the remainder of the holes drilled.

Geophysical programs including detailed ground magnetic and gravity surveys have been initiated to assist in detailed targeting of new copper zones. Ground electromagnetic (EM) surveys and more detailed RAB drilling are planned. Downhole EM surveys will be conducted to locate off hole conductors for follow up drilling.

### Trenches

Historic trenches are located over oxidised and outcropping mineralised horizons in the area of current drilling at Copper Blow. Very high grade results were encountered as part of a detailed geological mapping and a backhoe trench sampling program in the late 1980s.

The trench data includes 670 samples and a number which returned very high grades. Eight composite zones host in excess of 4% copper (Table 1). Collectively the sampling also outlines a broad, elongate zone of strong copper mineralisation. Contoured results show the copper forms an overall anomaly 1.1 kilometres long and 160 metres wide at its widest point (Figure 1).

This lies coincident with the magnetic anomaly and has been the focus of drilling in the past with intersections such as 11.8 metres at 6.7% copper and 1.92 g/t gold (ASX Release 4 May 2017) and 8.22 metres at 1.9% copper and 0.53 g/t gold (ASX Release 26 September 2017). The anomaly is only limited by the lack of data to the northeast and west.

### RAB Drilling

The poor outcrop in the area around Copper Blow has forced previous explorers to use systematic RAB drilling to obtain bedrock samples for geochemical analysis (Figure 2). This data was derived from the NSW Geological Survey records following detailed research by SCI.

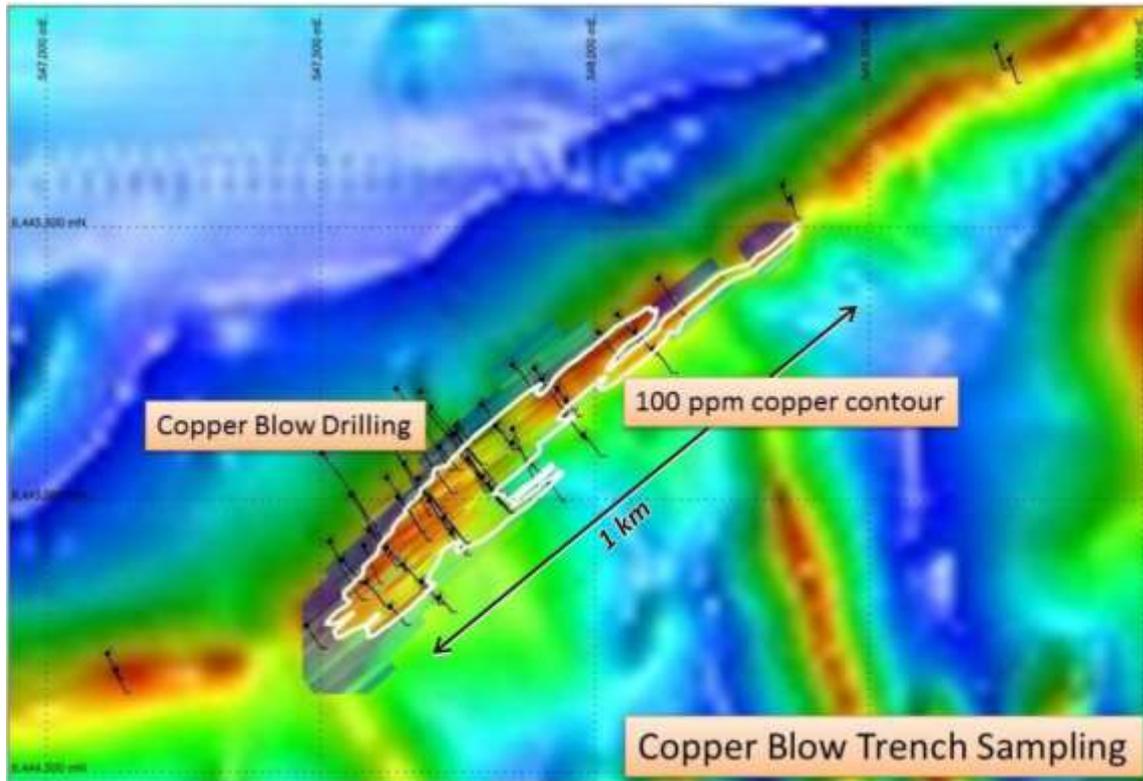
To the northeast the RAB lines focus on the prospective magnetic horizon where drill lines are very broadly spaced at 300 metres apart. To the west RAB drilling has not focussed on the prospective horizon and it remains largely untested in an area obscured by soil and alluvial cover.

Contoured copper values from this historic data show a close spatial relationship between the prospective magnetic horizon and anomalous copper. The anomaly extends for over 6 kilometres starting in the northeast, extending through Copper Blow encompassing the trench anomaly, and then continues at least 2 kilometres further west.

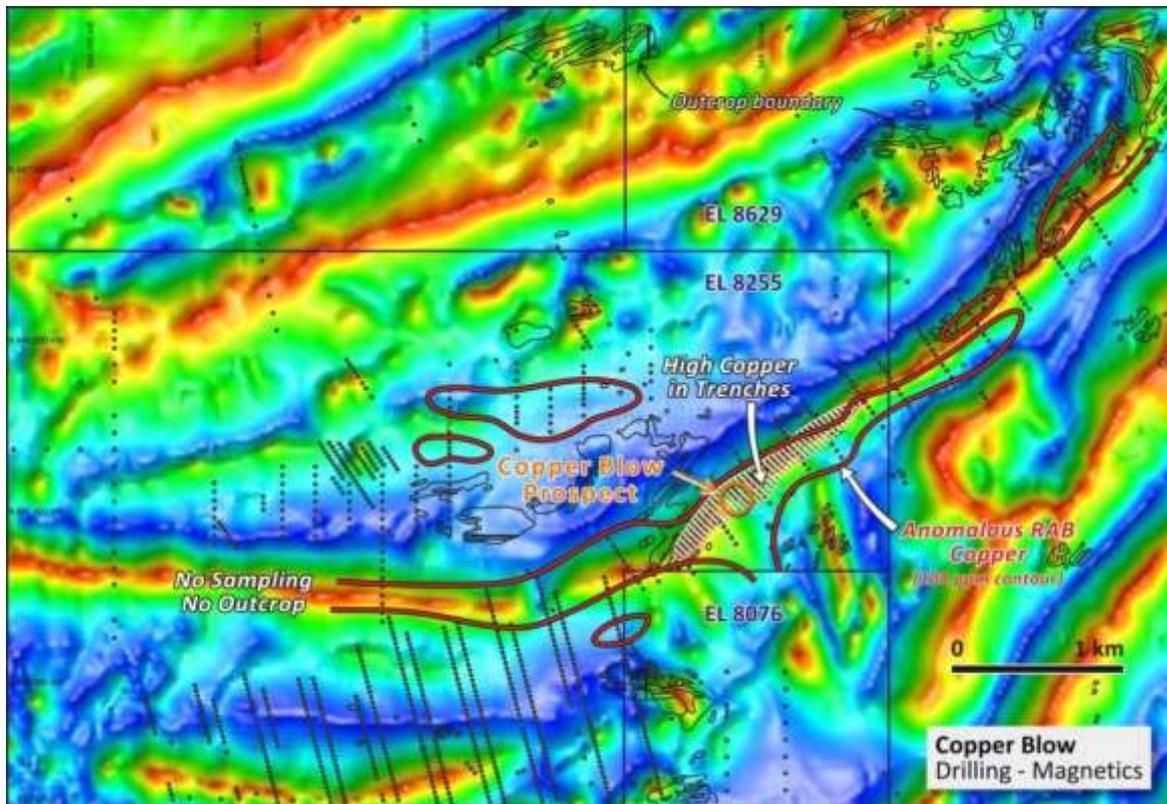
Table 1. Significant Trench Results

Trench_ID	Sample	Interval(m)	Cu (%)	Au (g/t)	Fe (%)	MGA_East	MGA_North
9750E	121183	3	5.8	0.61	14.7	547646	6444799
9750E	121206	1	2.8	0.15	20.5	547602	6444864
9850E	122137	2	4.9	0.66	20.6	547665	6444950
9875E	122155	4	4.0	0.62	14.6	547706	6444934
9900E	122086	4	5.7	0.06	11.1	547718	6444962
9905E	122079	6	2.7	1.12	11.4	547719	6444975
9905E	122076	3	8.4	0.60	15.9	547713	6444983
9905E	122072	3	8.9	0.13	10.3	547709	6444989
9905E	122115	2	5.8	BLD	19.2	547693	6445012
10000E	122544	1	1.7	0.25	23.1	547788	6445039
10050E	122319	1	1.2	0.15	8.5	547796	6445115
10300E	122442	4	1.0	0.31	15.2	547996	6445269
10350E	122476	4	4.1	1.56	13.8	548040	6445295

Note : Co-ordinates denote the centre point of the sample. BLD denotes below detection limit.



**Figure 1.** Trench samples shown as a 100 ppm copper contour (white lines) and a gridded copper image superimposed on a magnetic image. The zone of anomalous copper extends for 1.1 kilometres and is coincident with the elongate magnetic anomaly. The contour is constrained both northeast and west by lack of data.



**Figure 2** Diagram shows the location of the anomalous trench samples in white stripes (from Figure 1) and the location of anomalous copper in RAB drilling (100 ppm contour) superimposed on an image of magnetic intensity. The extent of the outcrop is shown along with RAB holes (black dots).

## SILVER CITY MINERALS LIMITED



**Christopher Torrey**  
Managing Director

### **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.*

## **CONTACT DETAILS**

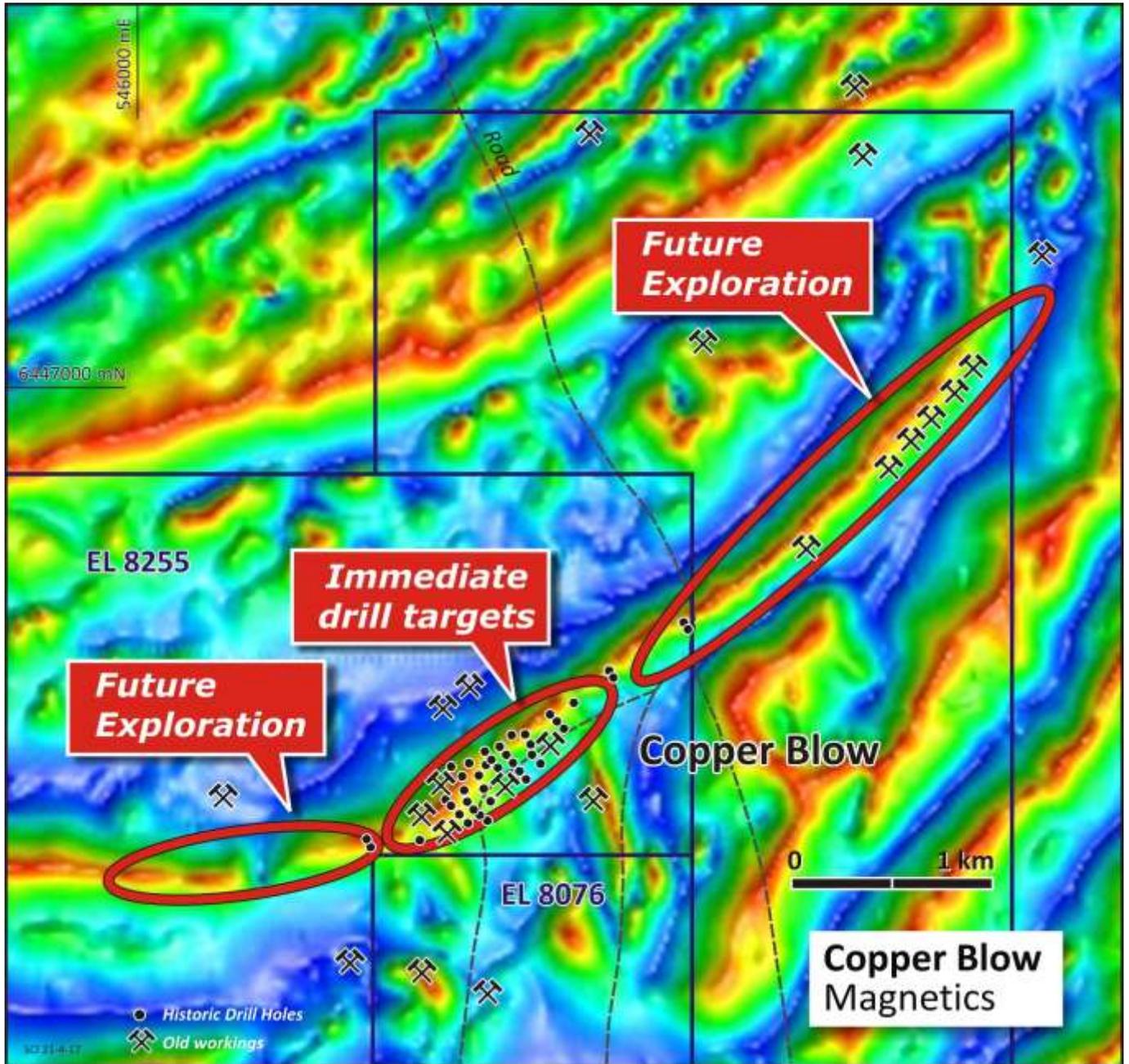
### **Management and Directors**

Bob Besley	Chairman
Chris Torrey	Managing Director
Greg Jones	Non-Executive Director
Ian Plimer	Non-Executive Director
Josh Puckridge	Non-Executive Director
Ivo Polovineo	Company Secretary

### **Registered Office**

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## Annexure 1 Diagrams



**Figure 3.** Magnetic map showing the prospective magnetic linear features extending to the northeast and west of the Copper Blow prospect

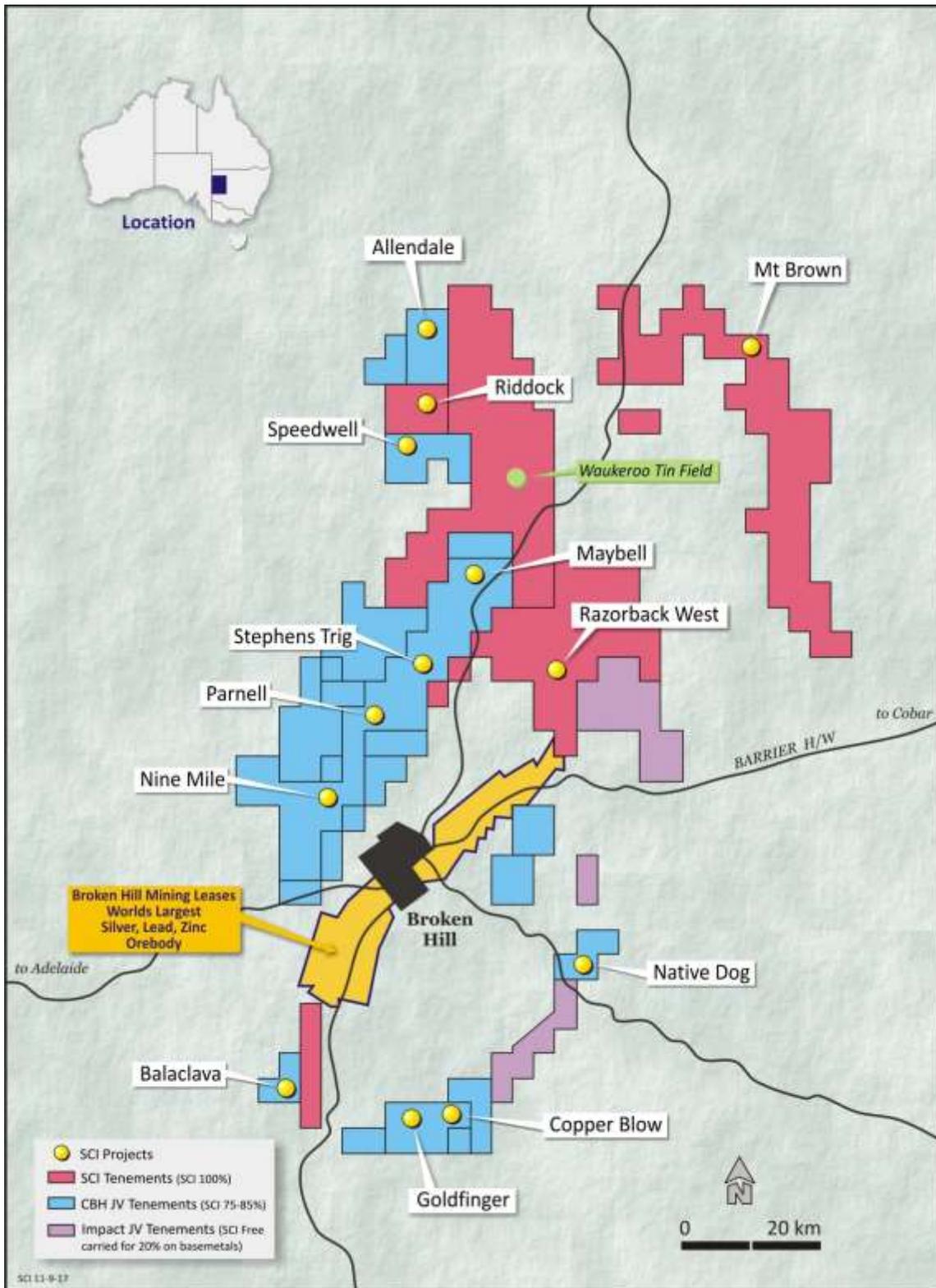


Figure 4. Silver City tenements at Broken Hill and the location of Copper Blow

## Annexure 2

# JORC Code, 2012 Edition – Table 1

## Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
<b>Sampling techniques</b>	<ul style="list-style-type: none"> <li>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</li> </ul>	<ul style="list-style-type: none"> <li>Old reports do not describe how trenches were sampled. Trench samples were collected over 1 to 2 metre intervals. RAB data was obtained from publically available databases and or compiled by SCI</li> </ul>
	<ul style="list-style-type: none"> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> </ul>	<ul style="list-style-type: none"> <li>No reference to measures undertaken</li> </ul>
	<ul style="list-style-type: none"> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> </ul>	<ul style="list-style-type: none"> <li>Data from trenches confirms presence of high grade mineralisation and allows characterisation of surface geochemistry. Data from RAB drilling allows broad interpretation of anomalous geochemistry</li> </ul>
	<ul style="list-style-type: none"> <li>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</li> </ul>	<ul style="list-style-type: none"> <li>Reports indicate trenching was undertaken to assist geological mapping in detail and to sample prospective horizons.</li> <li>RAB drill results reflect best in the hole copper results</li> </ul>
<b>Drilling techniques</b>	<ul style="list-style-type: none"> <li>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</li> </ul>	<ul style="list-style-type: none"> <li>RAB drilling is an open hole method used mainly to recover bedrock samples for geochemical analyses</li> </ul>
<b>Drill sample recovery</b>	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> </ul>	<ul style="list-style-type: none"> <li>No method recorded in reports</li> </ul>
	<ul style="list-style-type: none"> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> </ul>	<ul style="list-style-type: none"> <li>No method recorded in reports</li> </ul>
	<ul style="list-style-type: none"> <li>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</li> </ul>	<ul style="list-style-type: none"> <li>No description in old reports</li> </ul>
<b>Logging</b>	<ul style="list-style-type: none"> <li>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> </ul>	<ul style="list-style-type: none"> <li>No description recorded in reports</li> </ul>
	<ul style="list-style-type: none"> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> </ul>	<ul style="list-style-type: none"> <li>No method recorded in reports</li> </ul>
	<ul style="list-style-type: none"> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>Not recorded</li> </ul>

<b>Sub-sampling techniques and sample preparation</b>	<ul style="list-style-type: none"> <li>• <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></li> </ul>	<ul style="list-style-type: none"> <li>• No method recorded in reports</li> </ul>
	<ul style="list-style-type: none"> <li>• <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></li> </ul>	<ul style="list-style-type: none"> <li>• No method recorded in reports</li> </ul>
	<ul style="list-style-type: none"> <li>• <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Exploration standards at the time trench and RAB samples were collected were probably of sufficient quality to be deemed appropriate for purpose in that they characterised the geochemistry of the bedrock for future exploration purposes</li> </ul>
	<ul style="list-style-type: none"> <li>• <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Not recorded in old reports.</li> </ul>
<b>Quality of assay data and laboratory tests</b>	<ul style="list-style-type: none"> <li>• <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Not recorded in old reports</li> </ul>
	<ul style="list-style-type: none"> <li>• <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Not recorded in old reports</li> </ul>
	<ul style="list-style-type: none"> <li>• <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Standard aqua regia digest and AA techniques were report for base metals with fire assay and aa finish for gold</li> </ul>
<b>Verification of sampling and assaying</b>	<ul style="list-style-type: none"> <li>• <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i></li> </ul>	<ul style="list-style-type: none"> <li>• No geophysical tools reported</li> </ul>
	<ul style="list-style-type: none"> <li>• <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i></li> </ul>	<ul style="list-style-type: none"> <li>• None reported.</li> </ul>
	<ul style="list-style-type: none"> <li>• <i>The verification of significant intersections by either independent or alternative company personnel.</i></li> </ul>	<ul style="list-style-type: none"> <li>• No verification undertaken</li> </ul>
<b>Location of data points</b>	<ul style="list-style-type: none"> <li>• <i>The use of twinned holes.</i></li> </ul>	<ul style="list-style-type: none"> <li>• None reported</li> </ul>
	<ul style="list-style-type: none"> <li>• <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Not reported</li> </ul>
	<ul style="list-style-type: none"> <li>• <i>Discuss any adjustment to assay data.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Not reported</li> </ul>
<b>Data spacing and distribution</b>	<ul style="list-style-type: none"> <li>• <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Location of trench samples based on georeferenced maps</li> </ul>
	<ul style="list-style-type: none"> <li>• <i>Specification of the grid system used.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Location of RAB holes from government databases and georeferenced maps</li> <li>• GDA94 MGA Zone 54</li> </ul>
	<ul style="list-style-type: none"> <li>• <i>Quality and adequacy of topographic control.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Regional DTM from airborne geophysical surveys and/or Shuttle Radar</li> </ul>
<b>Data spacing and distribution</b>	<ul style="list-style-type: none"> <li>• <i>Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Data spacing and distribution will be not be sufficient to establish a degree of geological and grade continuity for Mineral Resources and Ore Reserve estimations. The data outlines the geochemical nature of the sample grouping only</li> </ul>
	<ul style="list-style-type: none"> <li>• <i>Whether sample compositing has been applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>• No compositing has been applied</li> </ul>
	<ul style="list-style-type: none"> <li>• <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></li> </ul>	<ul style="list-style-type: none"> <li>• The trench samples have been collected perpendicular to prospective horizons and are considered unbiased. They are however surface samples and contain</li> </ul>

		abundant secondary copper minerals including carbonates. In this respect they have potential to be more elevated than the sulphide minerals at depth
<b>Orientation of data in relation to geological structure</b>	<ul style="list-style-type: none"> <li>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</li> </ul>	<ul style="list-style-type: none"> <li>Orientation of trenches is appropriate to those key mineralised structures.</li> </ul>
<b>Sample security</b>	<ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>None recorded</li> </ul>
<b>Audits or reviews</b>	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>	<ul style="list-style-type: none"> <li>No audits undertaken</li> </ul>

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<b>Mineral tenement and land tenure status</b>	<ul style="list-style-type: none"> <li>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li> </ul>	<ul style="list-style-type: none"> <li>Sampling outlined in this public report falls within EL 8255, EL 8629 and EL 8076 which are subject a joint venture between Silver City Minerals and CBH Resources. A landowner access agreement is in place. Native Title has been extinguished.</li> </ul>
	<ul style="list-style-type: none"> <li>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</li> </ul>	<ul style="list-style-type: none"> <li>The tenure is secure under NSW legislation. There are no known impediments to operate.</li> </ul>
<b>Exploration done by other parties</b>	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>With respect to trench sampling we consider this to be of high quality. The quality of RAB data is largely unknown as it includes work from numerous companies over a large period of time.</li> </ul>
<b>Geology</b>	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>Iron oxide copper-gold deposit</li> </ul>
<b>Drill hole Information</b>	<ul style="list-style-type: none"> <li>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> <li>easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> <li>hole length.</li> </ul> </li> </ul>	See body of report
	<ul style="list-style-type: none"> <li>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li> </ul>	<ul style="list-style-type: none"> <li>All data is not included in this report as there are many samples for the area. The report is designed to show the geochemical trends of copper mineralisation. It is not designed to assess resource potential</li> </ul>
<b>Data aggregation methods</b>	<ul style="list-style-type: none"> <li>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</li> </ul>	<ul style="list-style-type: none"> <li>Normal weight averaging techniques, no cutting of high or low grades</li> </ul>
	<ul style="list-style-type: none"> <li>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated</li> </ul>	<ul style="list-style-type: none"> <li>No short length were incorporated</li> </ul>

Criteria	JORC Code explanation	Commentary
	<p><i>and some typical examples of such aggregations should be shown in detail.</i></p> <ul style="list-style-type: none"> <li><i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></li> </ul>	<ul style="list-style-type: none"> <li>No metal equivalents were reported.</li> </ul>
<b>Relationship between mineralisation widths and intercept lengths</b>	<ul style="list-style-type: none"> <li><i>These relationships are particularly important in the reporting of Exploration Results.</i></li> </ul>	<ul style="list-style-type: none"> <li>Geological interpretation at present suggests the mineralisation reported in trenches is oriented perpendicular to geological structures.</li> </ul>
	<ul style="list-style-type: none"> <li><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></li> </ul>	<ul style="list-style-type: none"> <li>The geometry of mineralisation in trenches combined with what is already known in drilling beneath them suggests it forms in steeply dipping structures</li> </ul>
	<ul style="list-style-type: none"> <li><i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i></li> </ul>	<ul style="list-style-type: none"> <li>The trench samples are thought to represent close to true thicknesses</li> </ul>
<b>Diagrams</b>	<ul style="list-style-type: none"> <li><i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i></li> </ul>	<ul style="list-style-type: none"> <li>Annexure 1</li> </ul>
<b>Balanced reporting</b>	<ul style="list-style-type: none"> <li><i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i></li> </ul>	<ul style="list-style-type: none"> <li>All data is not reported</li> </ul>
<b>Other substantive exploration data</b>	<ul style="list-style-type: none"> <li><i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i></li> </ul>	<ul style="list-style-type: none"> <li>No other meaningful material is documented.</li> </ul>
<b>Further work</b>	<ul style="list-style-type: none"> <li><i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></li> </ul>	<ul style="list-style-type: none"> <li>Geophysical surveys and drilling</li> </ul>
	<ul style="list-style-type: none"> <li><i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></li> </ul>	<ul style="list-style-type: none"> <li>Annexure 1</li> </ul>