



## sASX ANNOUNCEMENT

17 July 2017

### **Drilling to Test New High Grade Copper-Gold Mineralisation**

- **2,600m drilling program approved to test high grade copper-gold at Copper Blow Project at Broken Hill,**
- **Drilling to test 750 metres of strike within a prospective 4 kilometres long horizon,**
- **Historic holes returned significant intersections including:**
  - **11.8 metres at 6.7% Cu, 1.92 g/t Au from 182.9m**
  - **15 metres at 2.7% Cu, 0.53 g/t Au from 133.4m**
  - **19.2 metres at 1.8% Cu from 234m**
- **Follow up surface rock chip sampling by Silver City confirmed the prospectivity of Copper Blow, with grades up to 6.9% copper and 1.85g/t gold returned, and**
- **Joint Venture partner CBH Resources Ltd who operates a mill in close proximity is to participate**

**Silver City Minerals Limited (ASX: SCI) (“Silver City” or “Company”)** recently announced a review of historic drilling and results of rock chip sampling at Copper Blow, located approximately 20 kilometres to the south of Broken Hill (Figure 6) (“**Project**”). The Company determined that no systematic follow-up drilling was undertaken by previous explorers to assess high grade copper-gold deposits.

Rock chip sampling conducted by the Company concluded that, in addition to copper and gold, there is also potential for the presence of cobalt, silver, molybdenum and rare earths at the Project.

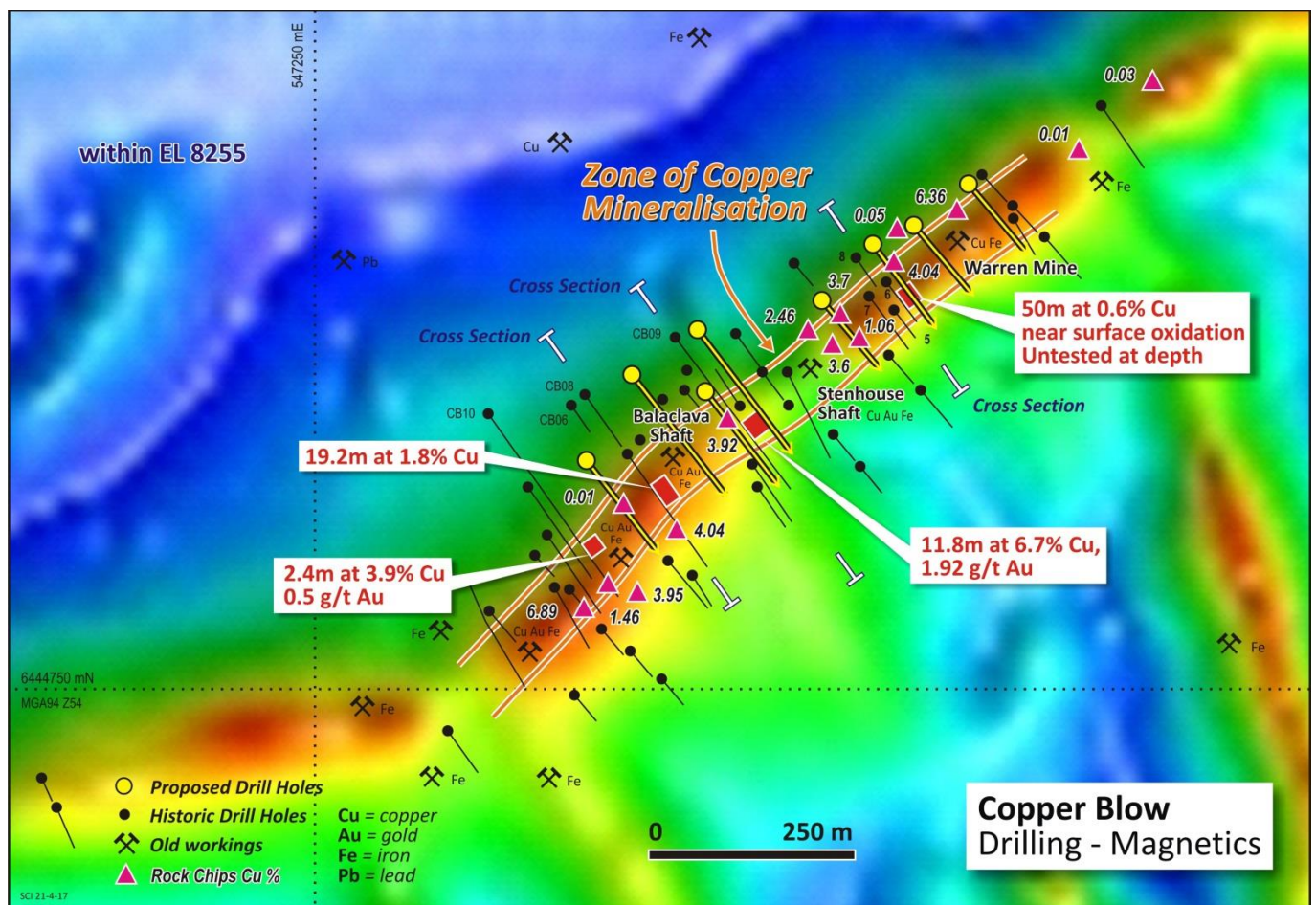
A 2,600m drilling program has now been approved by the Company, with drilling expected to commence in late August. CBH Resources Ltd (“**CBH**”), the Company’s Joint Venture partner to the Project, has confirmed that it will participate. Visko Sulicich, Director and COO of CBH has stated “*CBH supports the drilling proposed by Silver City as it represents an opportunity to test an exciting new deposit style in the Broken Hill area.*”

## Historic Drilling

Drill results from historic diamond and RC holes include:

- 11.8 metres at 6.7% Cu, 1.92 g/t Au
- 15 metres at 2.7% Cu, 0.53 g/t Au
- 19.2 metres at 1.8% Cu (incomplete Au analyses) including 0.9 metres at 2.1% Cu and 3.0 metres at 4.6% Cu, 0.62 g/t Au
- 4 metres at 3.9% Cu, 0.29 g/t Au
- 6 metres at 5.0% Cu, 0.51 g/t Au
- 2.7 metres at 5.7% Cu, 4.2 g/t Au
- 2.1 metres at 3.2% Cu, 0.65 g/t Au

Drill holes are shown in Figure 1 below and in the interpretive cross-sections in Figures 3 to 5.



**Figure 1.** Copper Blow project drill hole intersections and rock chip sample results. Strong correlation between magnetic rocks and high grade copper. Approximate locations of proposed holes shown in yellow.

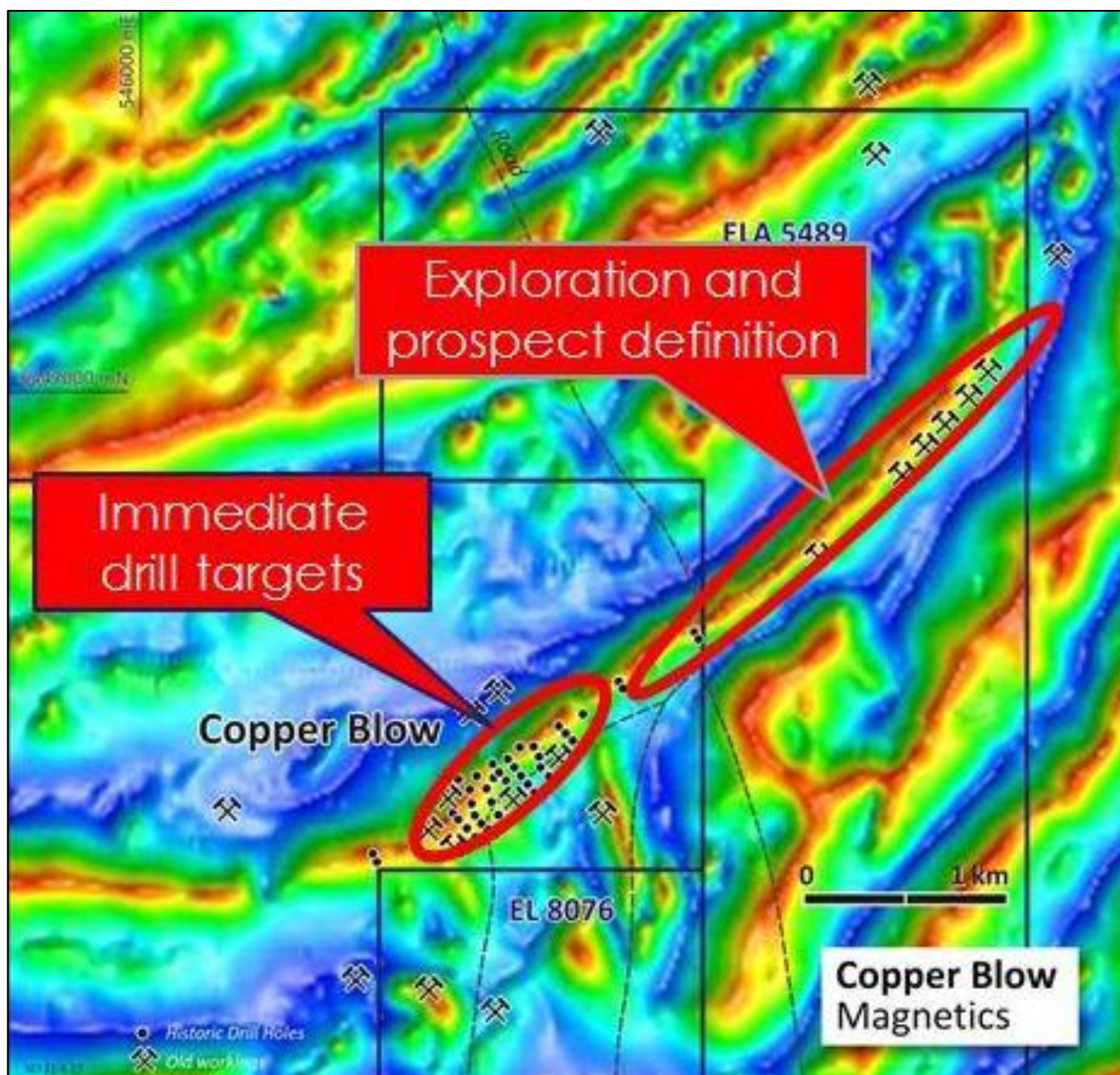
## Proposed Drilling

Silver City has collated all historic exploration data on the Copper Blow project with the view to commencing a drilling program in the current quarter. An initial program of 2,600 metres of reverse circulation and diamond drilling is planned to commence in late August.

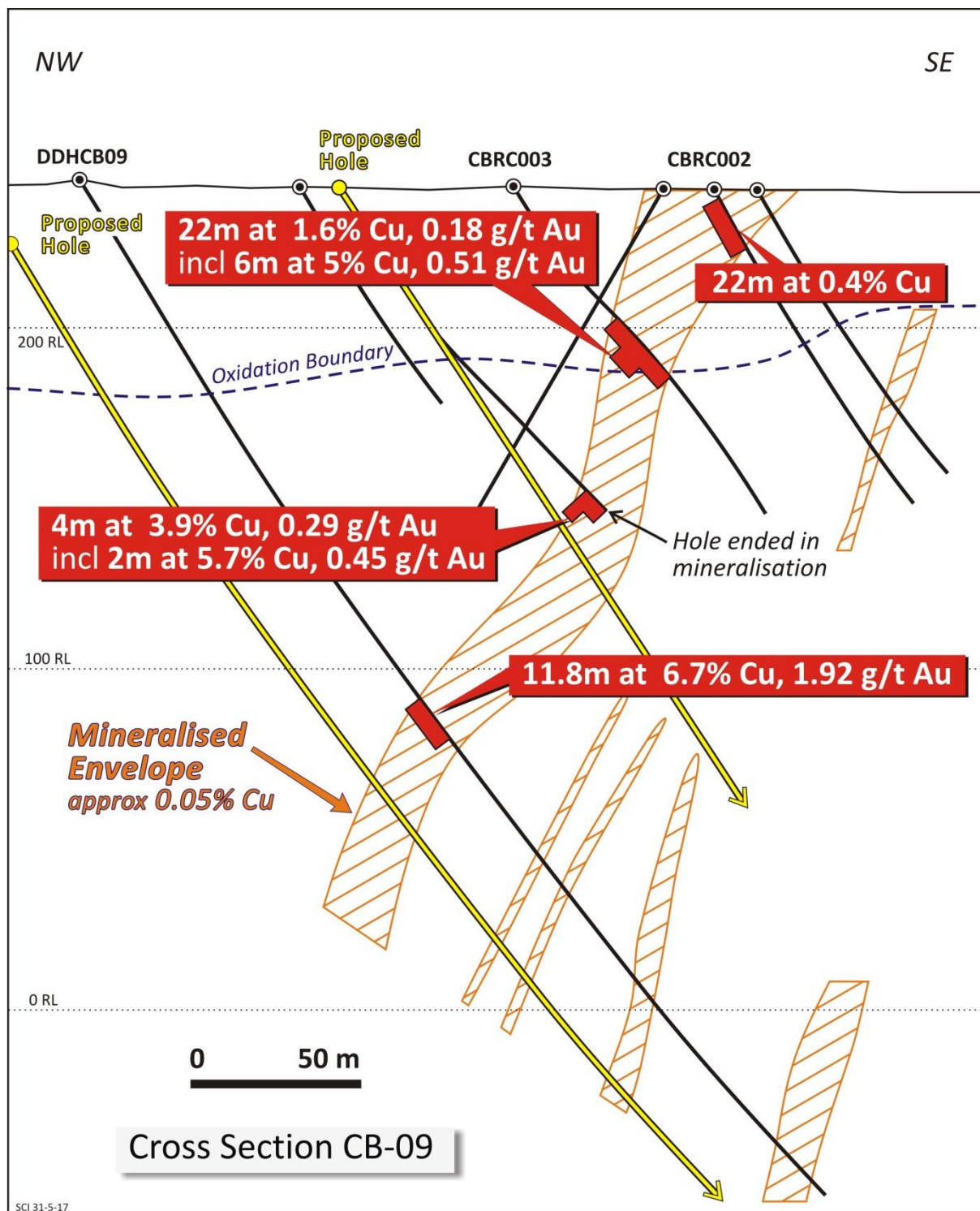


Two groups of drill holes are planned. The southern group (south of Stenhouse shaft) will comprise combined reverse circulation and diamond holes designed to outline plunging bodies of copper-rich mineralisation in close proximity to existing high grade intersections (see Figures 3 and 4). North of the Stenhouse shaft four reverse circulation percussion holes will assess an area of broad copper mineralisation within the strongest magnetic anomaly in the area (see Figure 5).

The initial program at Copper Blow will test a mineralised strike length of approximately 750 metres to vertical depths of between 50 and 200 metres. This zone lies at the southwestern end of a highly prospective, poorly explored and poorly outcropping magnetic horizon, which extends for 4 kilometres (see Figure 2). Exploration of the horizon to the northeast of Copper Blow is in the planning stage and is likely to include Rotary Airblast (*RAB*) drilling and ground geophysical surveys.

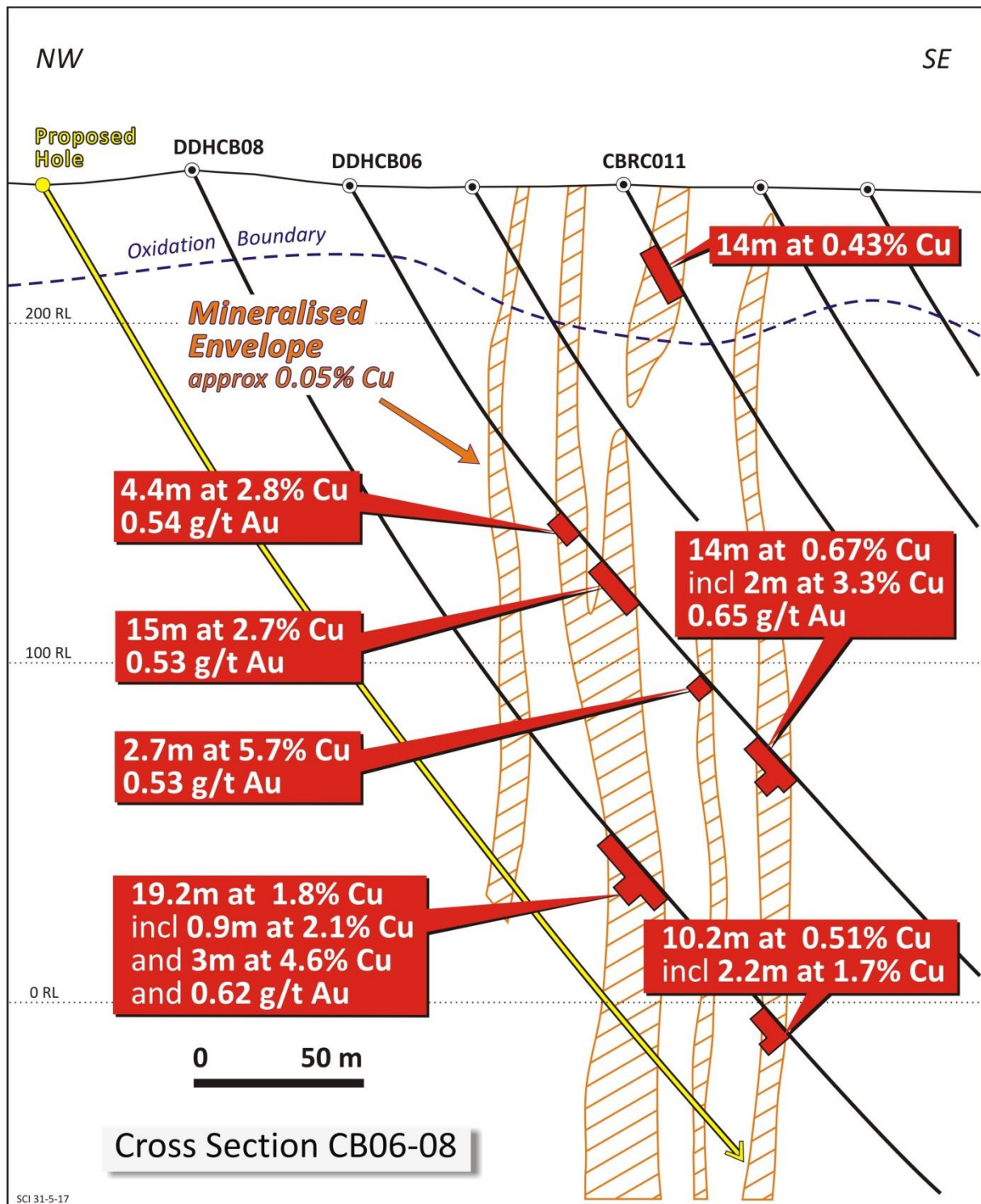


**Figure 2.** Regional map showing the Copper Blow project at the southwestern end of a prospective magnetic horizon which extends for 4 kilometres. The proposed drill program at Copper Blow tests a strike length of approximately 750 metres with the remainder of the 4 kilometres to be assessed by future exploration.

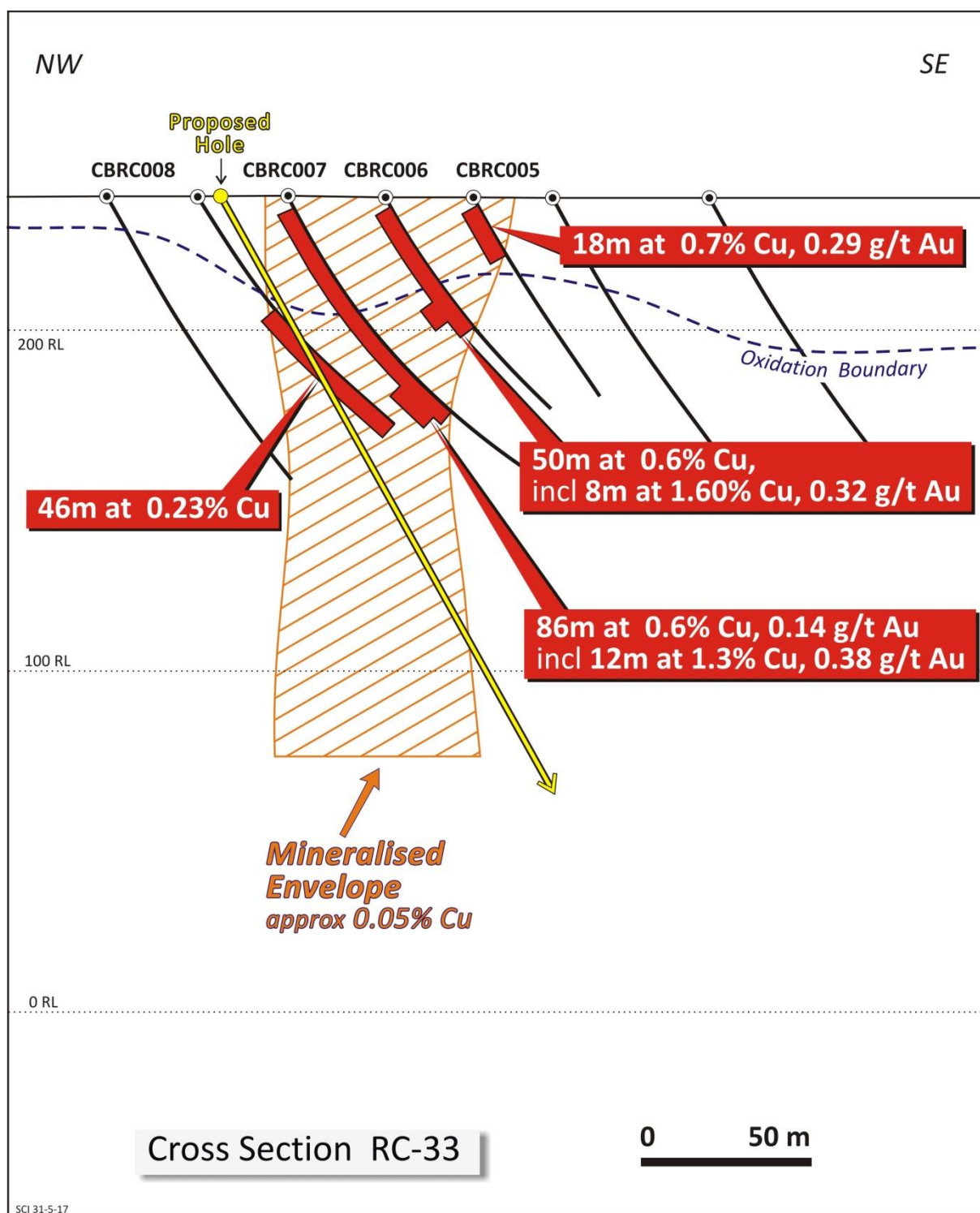


**Figure 3.** Copper Blow cross-section CB-09 showing interpreted locations of lode zones, historic drill hole intersections and approximate locations of proposed holes.





**Figure 4** Copper Blow cross-section CB-06-08 showing interpreted locations of lode zones, historic drill hole intersections and approximate locations of proposed holes.



**Figure 5** Copper Blow cross-section RC-33 showing interpreted locations of lode zones, historic drill hole intersections and approximate locations of proposed holes.

## Rock Chip Results

Best rock chip results collected by SCI confirm copper mineralisation on surface over 1 kilometre. These returned up to 6.89% copper and 1.85 g/t gold from biotite–magnetite rocks within a shear zone (Figure 1). Results display anomalism in silver, cobalt, molybdenum and rare earth elements and strongly indicate Copper Blow belongs to a style of mineralisation known as “Iron Oxide Copper-Gold” (or IOCG). It is possibly the first of this style recognised in New South Wales.

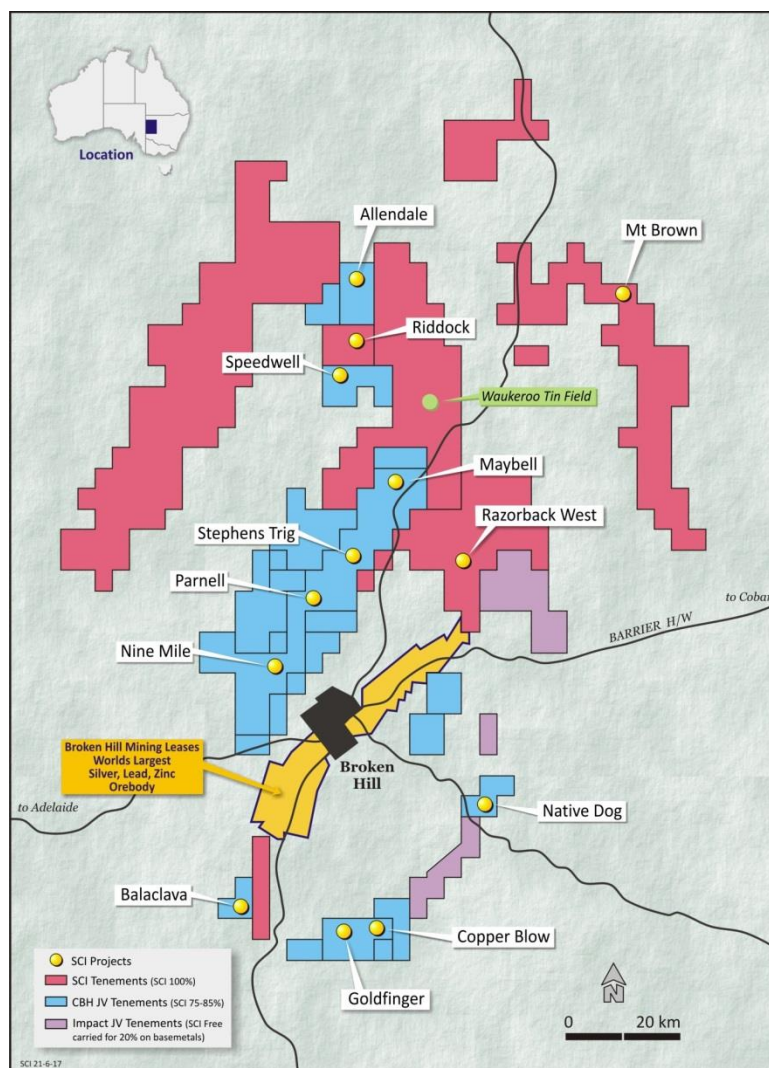
Globally IOCG mines range in size from less than 1 million tonnes in the Tennant Creek mining camp of the Northern Territory to 10 billion tonnes at Olympic Dam in South Australia.

## Ownership

The project is a contributing joint venture between SCI (75%) and CBH Resources Ltd (CBH; 25%) which owns and operates the Rasp Mine and sulphide flotation facility at Broken Hill.

## Reports

Data referred to in this report is derived from ASX Releases 4 May 2017 and 19 June 2017.



**Figure 6.** Silver City Tenements at Broken Hill and location of the Copper Blow Project

## 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**

Level 1, 80 Chandos Street,  
St Leonards, NSW 2065, Australia  
PO Box 956, Crows Nest, NSW 1585, Australia  
Ph: +61 2 9437 1737  
Fax: +61 2 9906 5233  
Email: [info@silvercityminerals.com.au](mailto:info@silvercityminerals.com.au)  
Web: [www.silvercityminerals.com.au](http://www.silvercityminerals.com.au)

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