

# SILVER CITY MINERALS LIMITED

ABN 68 130 933 309



ASX Code: SCI

## **The Mining 2017 Resources Convention**

# **Silver City Minerals**

29 August 2017

# Important Disclaimer

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This presentation is provided to you for the sole purpose of providing background technical, financial and other information to enable you to review the business activities of Silver City Minerals Limited ("Silver City", "SCI" or the "Company"). This presentation 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. Nothing in this material should be construed as the solicitation of an offer to buy or sell SCI securities.

## **Competent Person**

Information in this document that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Christopher Torrey, who is the Managing Director and full-time employee and shareholder of Silver City Minerals Limited, and a Member of the Australian Institute of Geoscientists. 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 in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Torrey consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

# Key Features

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- New high grade copper-gold project at Broken Hill
- Copper Blow historic holes:
  - **11.8 metres at 6.7% copper and 1.92 g/t gold**
  - **3 metres at 4.6 % copper**
  - **2.7 metres at 5.7% copper and 4.2 g/t gold**
- Drill-ready targets; Drilling commenced today
- Fundraising for program in place (circa \$750,000)
- Company well-funded to continue drilling on positive results
- Iron oxide copper-gold style (**IOCG; similar to Ernest Henry, Osbourne, Olympic Dam**).
- Rock sampling also suggests cobalt and rare-earth potential

*Results in ASX Releases 4<sup>th</sup> May 2017 and 19 June 2017*

# Copper Blow Drill Hole Intersections

- 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

Sulphide  
Intersections

- 50 metres at 0.6% Cu, 0.10 g/t Au
- 86 metres at 0.6% Cu, 0.14 g/t Au

Partly oxidised

# Company snapshot



## Top 5 shareholders

Upsky Equity Pty Ltd	3.2%
Mr Bin Liu	2.9%
HSBC Custody Nominees	2.4%
Mr John Henry Toll	2.3%
Jennings Family Investments Pty Ltd	2.3%

## Key metrics

Market cap (at 2.7 cents)	\$5.3m	Cash on hand (at 23 August)	\$1.4m
52-week high	3.8¢	Top 20 shareholders	36.4%
52-week low	1.6¢	Shares on issue (No.)	196.3m
30-day average volume	1.4m	Unlisted Options	28.2m

# Board of Directors

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**Bob Besley**  
**Chairman**

Geologist with over 40 years experience in mining and exploration. Founder and original Managing Director of CBH Resources Limited. Bob took that company from inception as a junior explorer to a large zinc, lead and silver producer with a peak market cap of \$600m. Currently Chairman of Image Resources Limited.



**Chris Torrey**  
**Managing Director**

Geologist with over 35 years experience in international mineral exploration. Senior management and consulting roles with Cyprus-Amax, ASX-listed Golden Cross Resources, US-listed Golden Minerals and Apex Silver. Past Chairman of Golden Cross Resources.



**Ian Plimer**  
**Non-Executive Director**

Ian Plimer was the inaugural Professor of Mining Geology (University of Adelaide) and Emeritus Professor of Earth Sciences at The University of Melbourne. Ian is considered to be the world expert on the geology of the Broken Hill orebody on which he has worked and published extensively for almost 50 years.



**Greg Jones**  
**Non-Executive Director**

Greg is a geologist with 35 years exploration and mine operational experience. Senior management roles with Western Mining and Sino Gold. He currently holds directorships with ASX-listed companies; Moly Mines, Eastern Iron Limited and Thomson Resources. Greg is the Executive Technical Director of Variscan Mines Limited.



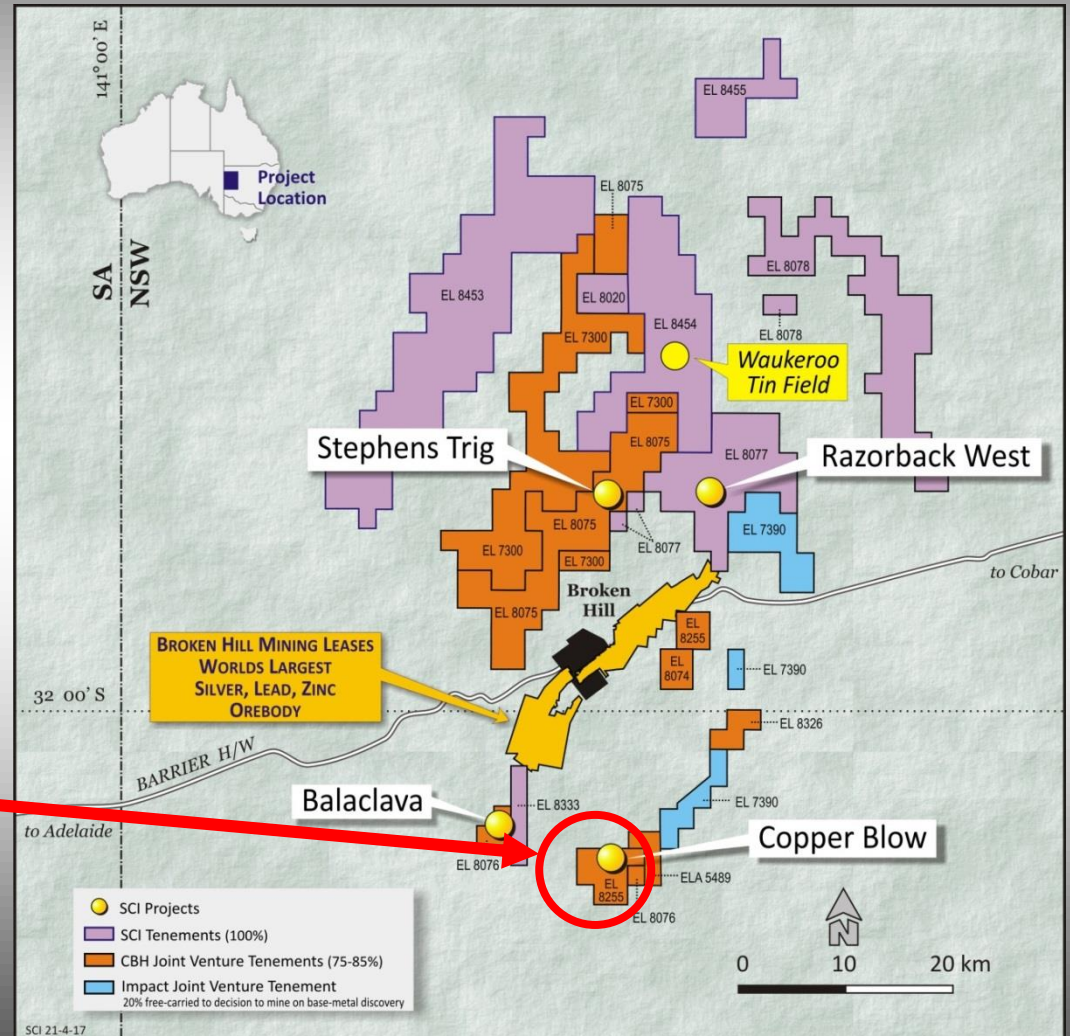
**Josh Puckridge**  
**Non-Executive Director**

Josh is a Corporate Finance Executive formerly working as a specialist Equity Capital Markets Advisor for Fleming Australia, a Corporate Advisory and Funds Management firm. He has significant experience within funds management, capital raising, mergers, acquisitions and divestments of projects by companies listed on the Australian Securities Exchange.

# Location Silver City Tenements

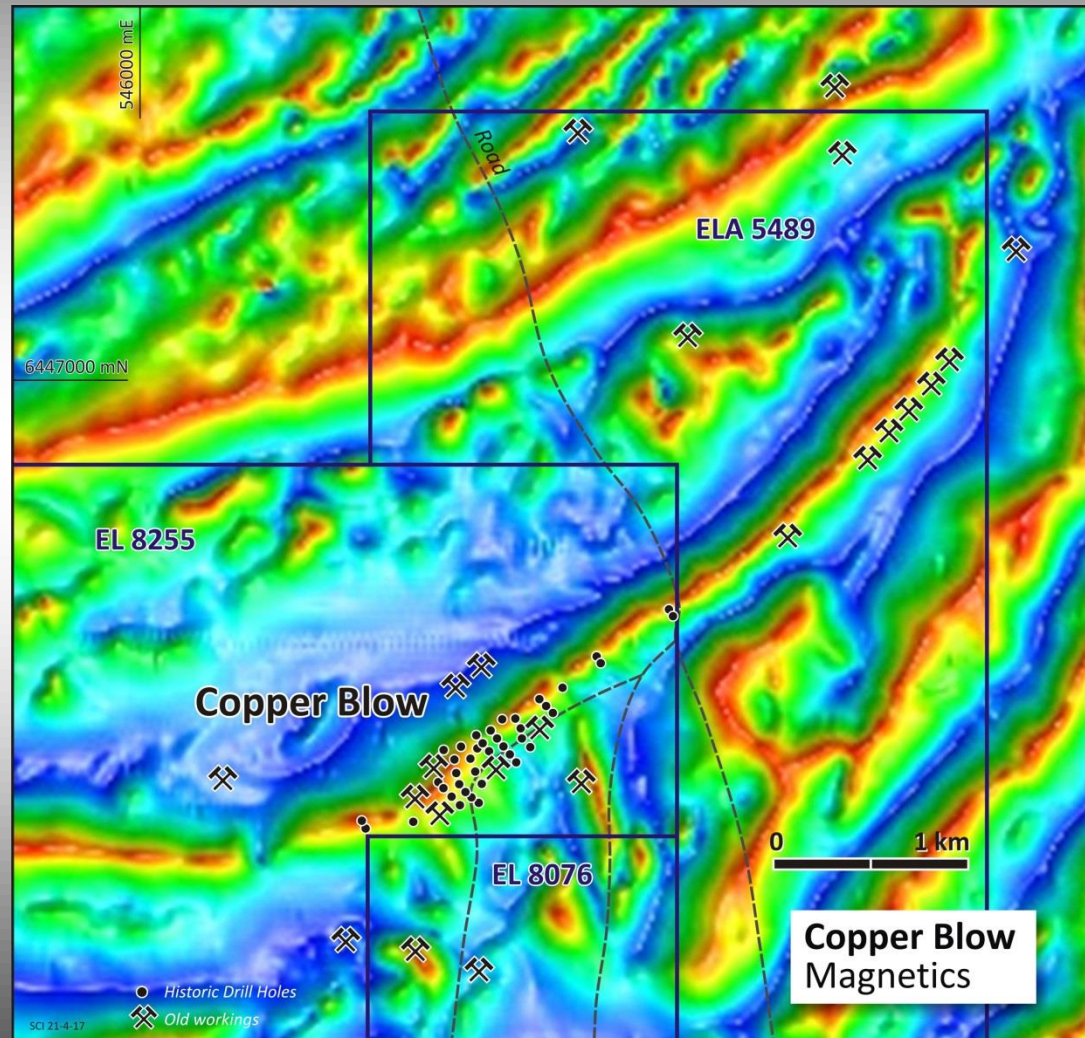
- Copper Blow is a contributing joint venture between SCI and CBH Resources who own and operate the Rasp Mine and sulphide treatment facility at Broken Hill (SCI 75%; CBH 25%)

## Copper Blow



# Magnetic Prospectivity

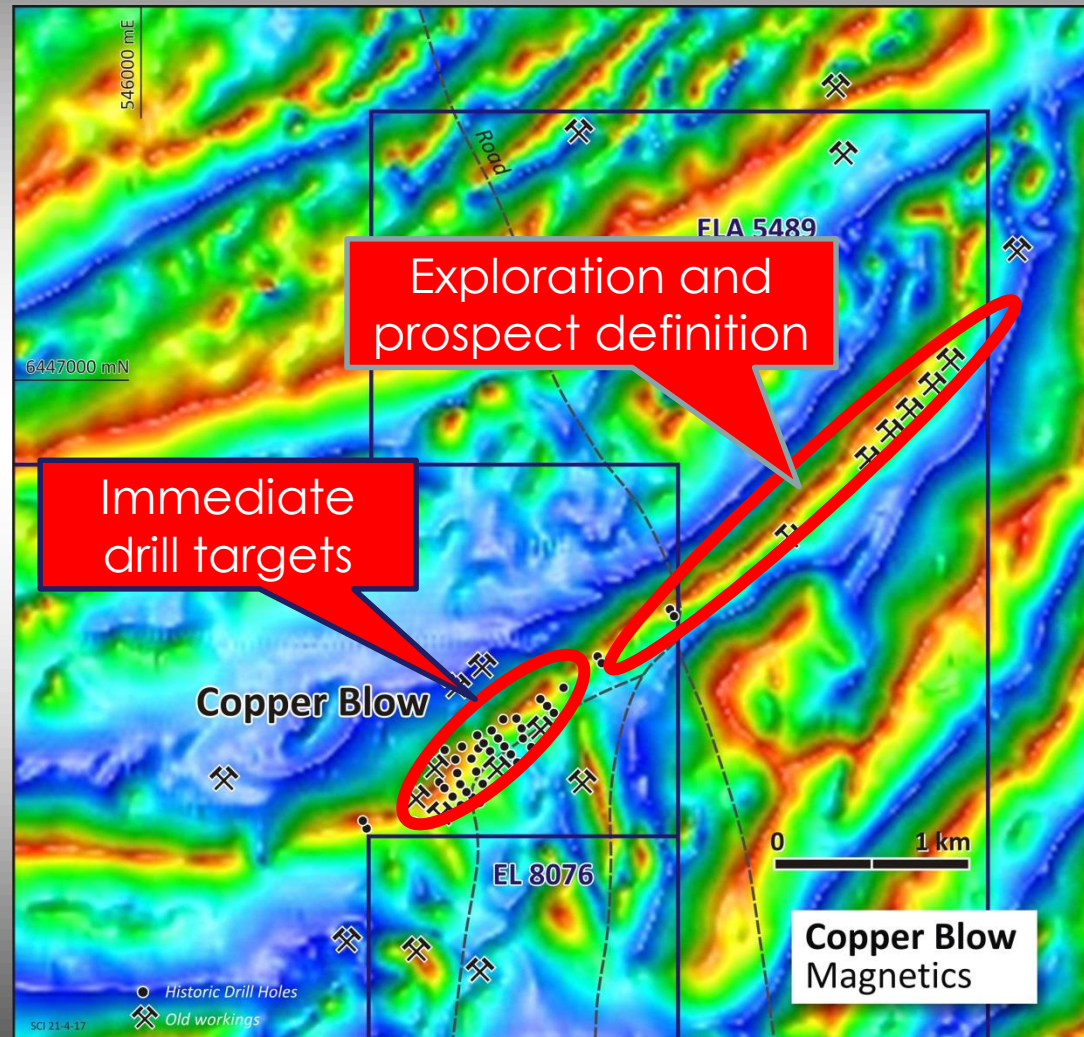
- Close association between copper-gold and magnetite in a shear zone
- A magnetic “ridge” hosts mineralisation and will be focus of future exploration





# Future Targets

- Immediate drill targets at Copper Blow
- Copper, gold, cobalt, molybdenum, rare earth potential indicated in rock samples
- 4 kilometres of strike potential



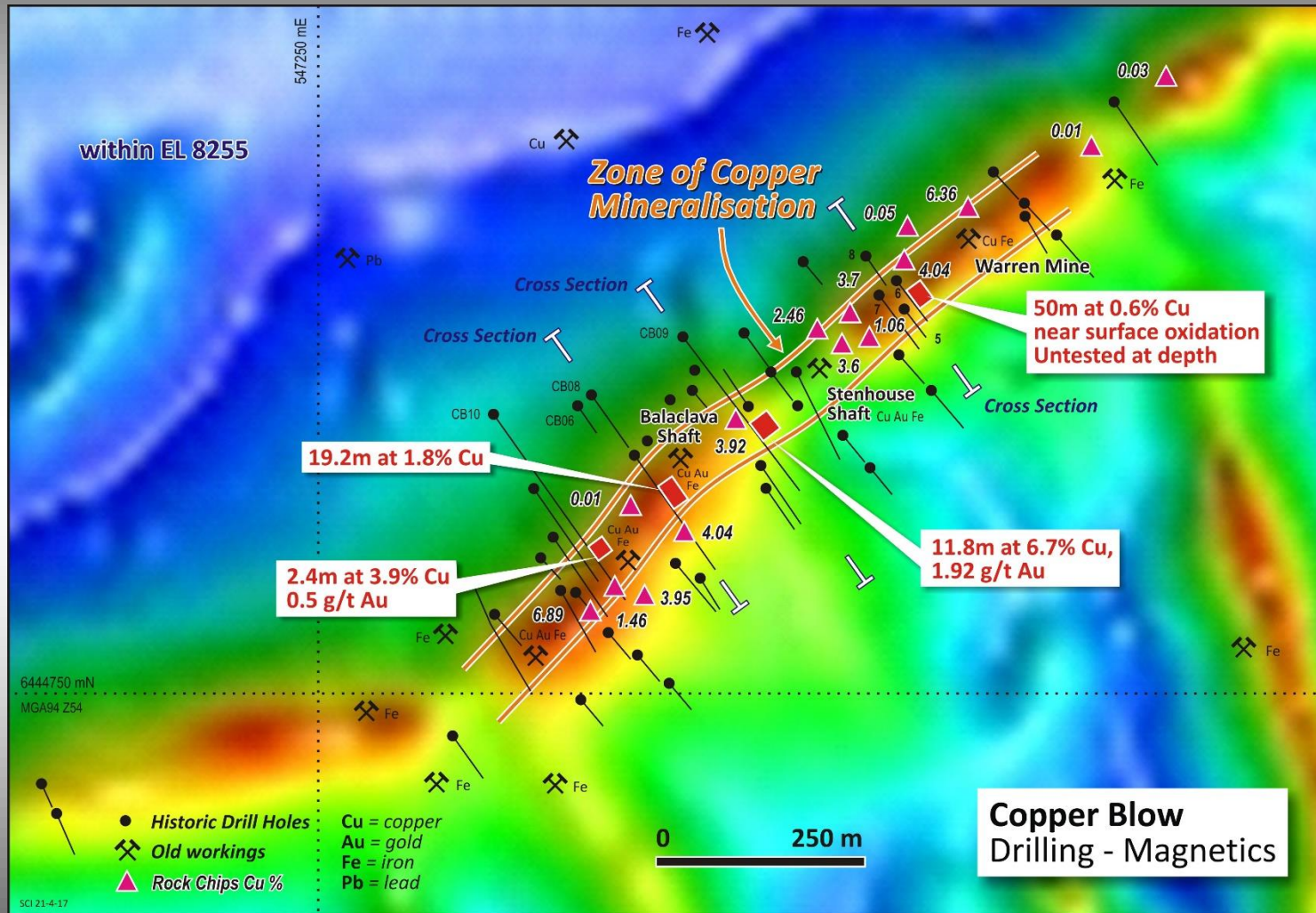
# Mineralisation Styles

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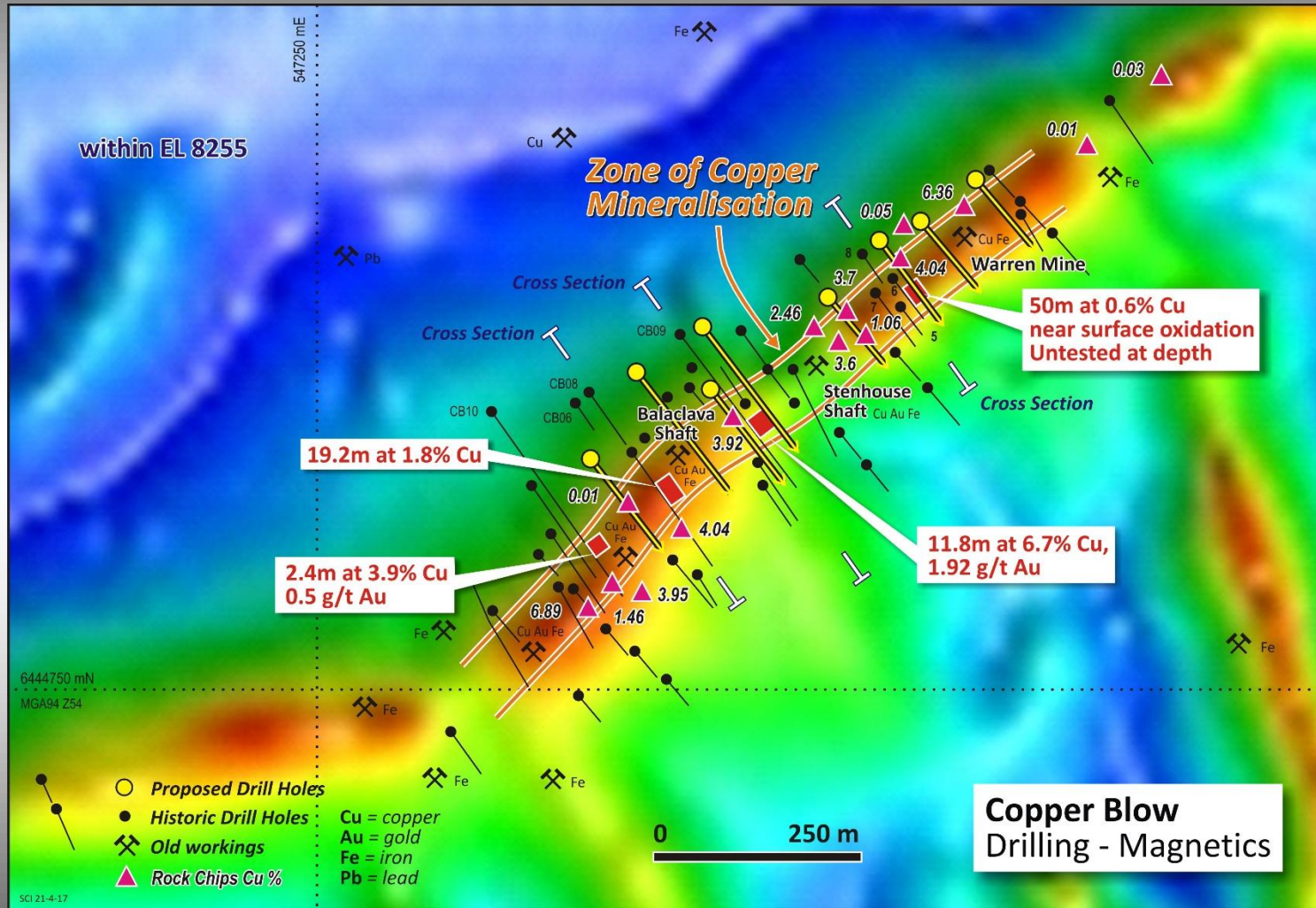
Drill core samples within intersections of +5% copper

# Copper Blow Drilling



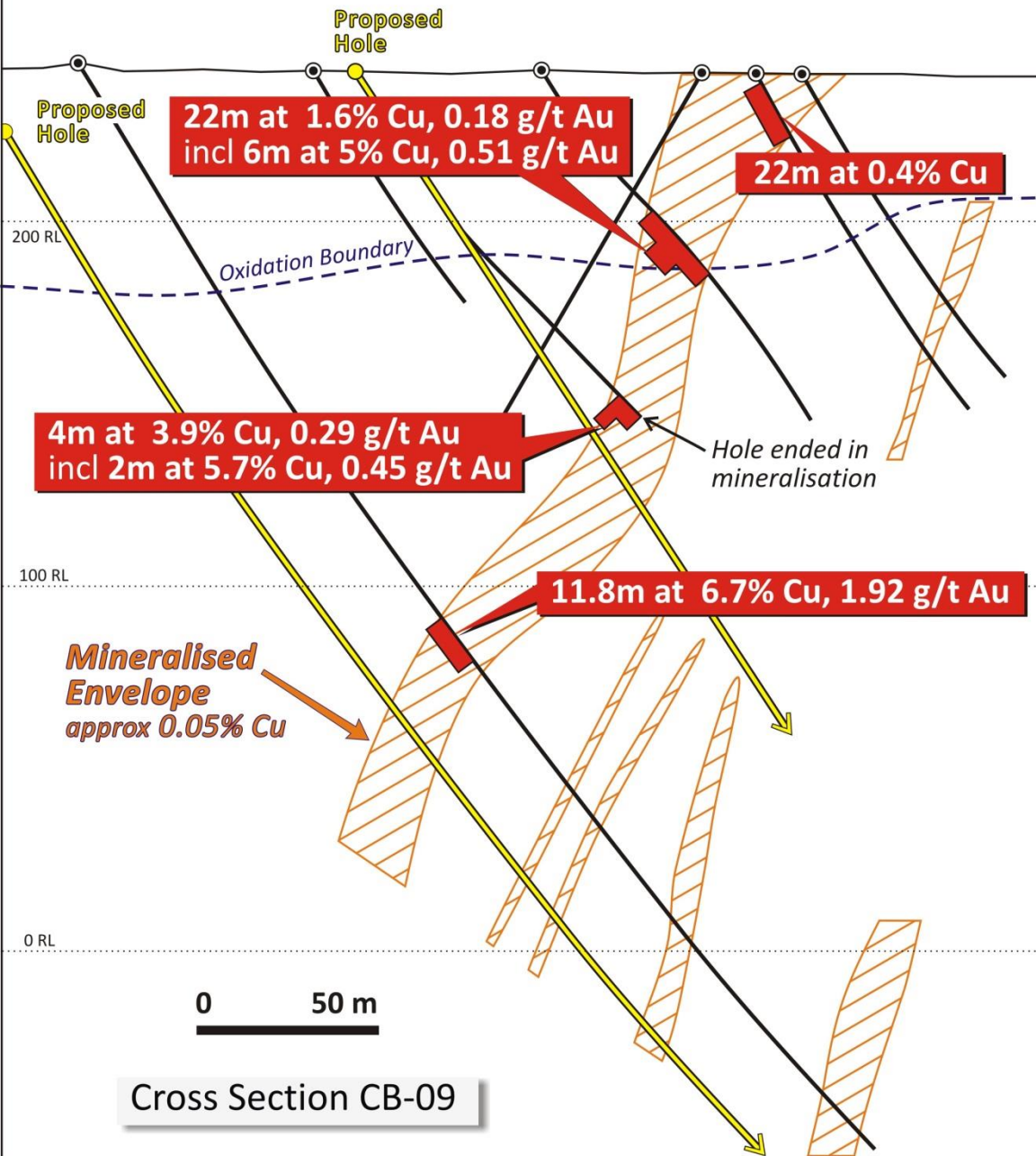
Rock Chip results referred in in ASX Release 19 June 2017

# Copper Blow Drilling



NW

SE



# Cross Section and Proposed Holes

Cross Section CB-09

NW

SE

Proposed Hole

Oxidation Boundary

Mineralised Envelope  
approx 0.05% Cu

14m at 0.43% Cu

4.4m at 2.8% Cu  
0.54 g/t Au

14m at 0.67% Cu  
incl 2m at 3.3% Cu  
0.65 g/t Au

15m at 2.7% Cu  
0.53 g/t Au

2.7m at 5.7% Cu  
0.53 g/t Au

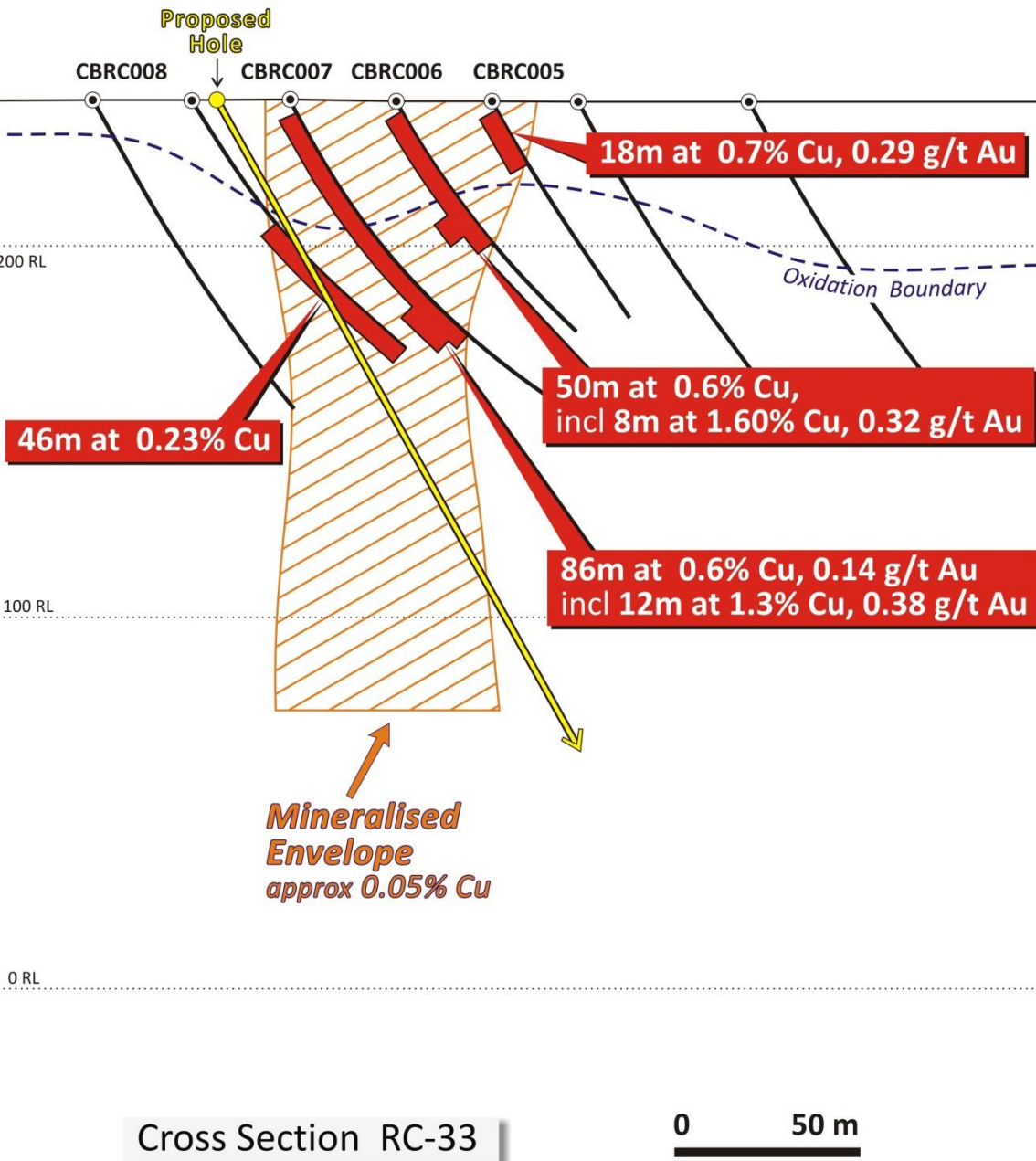
19.2m at 1.8% Cu  
incl 0.9m at 2.1% Cu  
and 3m at 4.6% Cu  
and 0.62 g/t Au

10.2m at 0.51% Cu  
incl 2.2m at 1.7% Cu

0 50 m

Cross Section CB06-08

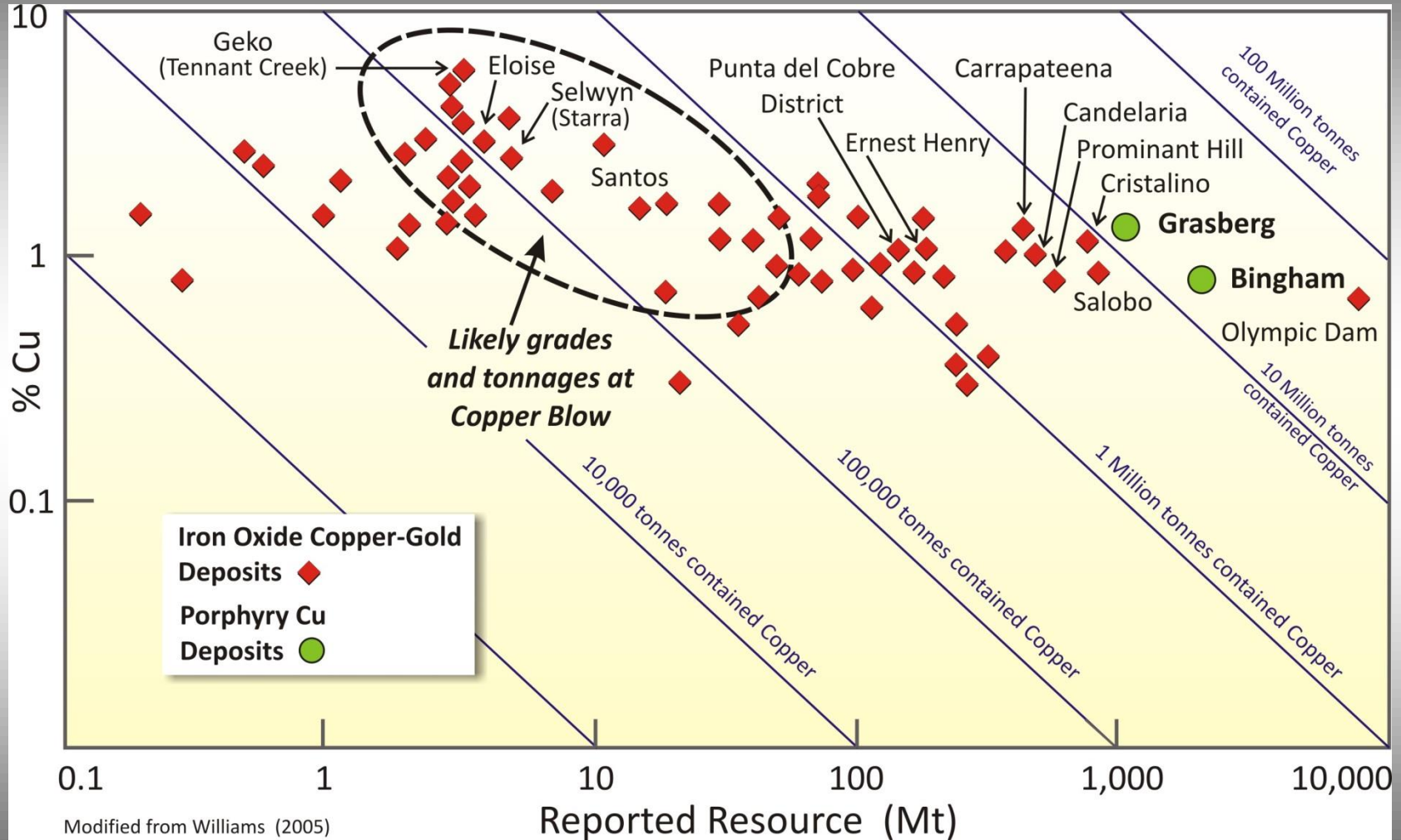
# Cross Section and Proposed Holes



# Cross Section and Proposed Holes

Cross Section RC-33

# Global Iron oxide Copper-Gold Deposits



Reference : Williams et al 2005. Iron Oxide Copper-Gold Deposits: Geology Space-Time Distribution, and Possible Modes of Origin. Economic Geology 100<sup>th</sup> Anniversary Volume pp 371-405 Society of Economic Geologists



# Timeline and Expenditure Estimate

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Environmental Permitting	Completed
Drilling Commences	Today
Drilling Completed	Late September
Results	October- November

First Phase Drilling (2017)

\$600,000

# Summary

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- **Potential to be first modern copper mine at Broken Hill**
- **SCI well funded to continue drilling on favourable results**
- **Supportive JV partner (CBH Resources)**
- High grade copper and gold over significant widths located in historic drill holes (1980s and 90s)
- High grades occur in coarse grained sulphide (chalcopyrite); expect simple metallurgy
- Project is close to Broken Hill Mining centre and existing sulphide processing plants
- Short timeframe for initial drill test, drilling is underway.

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