SILVER CITY MINERALS LIMITED

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Listings Compliance (Sydney)
ASX Compliance Pty Ltd
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Sydney NSW 2000

SIGNIFICANT 1.2KM COPPER ANOMALY IDENTIFIED AT THE WELLINGTON PROJECT LOCATED 15KM FROM BODA DISCOVERY

Key Highlights:

- Silver City executed a binding option to acquire the Wellington Project on 11 March 2020, a highly prospective copper-gold exploration package in the Lachlan Fold Belt, NSW and located 15kms south of Alkane Resources' Boda Discovery
- As part of ongoing due diligence on the acquisition, Silver City has identified a significant 1.2km copper anomaly from historic works at the Wilunga Copper Prospect.
- The copper anomaly at Wilunga identified from soils, recorded coherent copper mineralisation over 1.2kms and peak values of 2,000ppm copper, 80ppm Mo
- Mineralisation was reported as quartz-sulphide veins containing pyrite, chalcopyrite, molybdenite and weathered products (azurite, malachite)
- Follow up work continues

Silver City Minerals Limited (ASX: **SCI**) (**Silver City** or **Company**) is pleased to announce that it is progressing due diligence on the Wellington Project which is located circa 15kms to the south of Boda discovery (Alkane Resources NL). As announced on 11 March, Silver City has entered into a binding option agreement with Syndicate Minerals Pty Ltd to acquire the Wellington Project (i.e. its holdings in ELA 5852 Wellington).

Historical Exploration

Silver City Minerals has collated and reviewed all historical exploration from the New South Wales DIGS online database. Exploration on the Wellington Project is detailed in historical exploration reports, annual reports and tenement relinquishment reports.

The Project has been explored by Placer Prospecting Australia (1967-1968), AMAX Exploration (1972-1974), Banlona Pty Ltd (Paradigm Gold) in 2014. The majority of the project area has been covered with regional scale stream sediment sampling. Assaying has primarily been for base metals (copper, lead and zinc) with limited precious metals (gold, silver) and very limited trace element geochemistry (Figure 1, below).

A total of two exploration diamond core holes have been drilled on the property in 1967 (see below), and a limited series of RAB and mud rotary holes drilled to assess gold mineralisation within the Macquarie River alluvial system. The RAB holes are considered insufficiently reliable to report results under the JORC Code 2012 and are not discussed further.

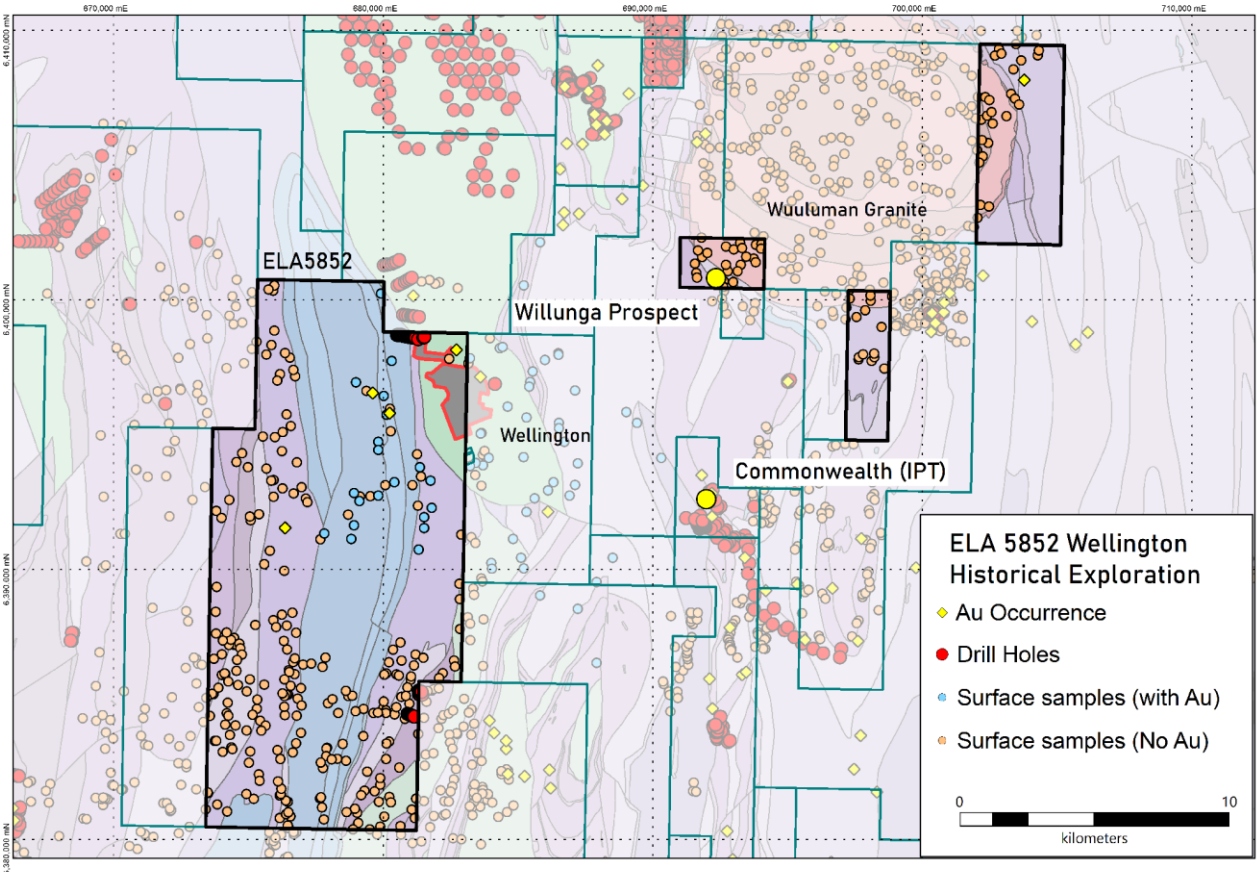

Figure 1 Historical Exploration ELA5852 Wellington

Willunga Copper Prospect

Placer Prospecting (Australia) Pty Ltd (Placer) pegged EL74 in 1967 covering the Willunga Copper Prospect, in the south-western margin of the Carboniferous Wuuluman Granite. Placer undertook stream sediment sampling for Cu, Pb, Zn and Mo, soil sampling, gridding and mapping.

Placer's geological map, dating from 1967 showed a series of workings over a strike length of approximately 600m. No production is recorded from the Willunga prospect.

Placer defined a coherent copper anomaly in soils of +100ppm Cu with a peak 2,000ppm Cu, and patchy molybdenum to 80ppm over 1200m long, within altered and hornfelsed Devonian Andesites of the Cuga Burga Volcanics within the contact zone of the Wuuluman Granite. Mineralisation was reported as quartz-sulphide veins containing pyrite, chalcopyrite, molybdenite and weathered products (azurite, malachite), associated with aplite dykes and shears.

Placer drilled two diamond holes, DDH W1 and DDH W2 in 1967. Location data for DDH W2 is incomplete and cannot be confirmed reliably.

DDH W1 was drilled -40°/040 with a total depth of 108m. Logging of the drill hole reports a zone 73m of elevated sulphides, including pyrite, chalcopyrite and pyrrhotite, within hornblende andesite. A total of 14 core samples were sent to a laboratory in Canada for assay for Au and Cu, with low results.

DDH W2 was drilled -45°/040 to a total depth of 215m, encountering 150m of sheared andesite with trace chalcopyrite and molybdenite, and from 150m to 170m greywacke and siltstone with chalcopyrite-pyrite-pyrrhotite and magnetite, and 7 metres of pyrite with minor chalcopyrite from 193m. Eighteen intervals of drill core were split and sampled, with low results. One 10 foot (3m) interval from 154m was assayed at 238ppm Cu, 2ppm Ag, 40ppm Te and 45ppm Sb.

Interpretation

Silver City Minerals has reviewed the historical exploration of the Wellington Project ELA8525 and has concluded that contact zone of the Carboniferous Wuuluman Granite represents an hydrothermal mineralisation target related to porphyry dykes. The Company believes that ELA5852 Wellington has potential to host porphyry copper-gold mineralisation and other styles of mineralisation, and that historical exploration was insufficient to test this potential.

The Company will continue to keep the market informed as due diligence continues to assess the prospectivity of the tenure.

This announcement has been authorised by the Board of Directors of Silver City Minerals Limited.

-ENDS-

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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 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 Licenses 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.

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 STATEMENT

The information in this announcement that relates to Exploration Results is based on and fairly represents information and supporting documentation prepared by Mr Roland Gotthard. Mr Gotthard is a Director of Silver City Minerals and a member of the Australian Institute of Mining and Metallurgy. Mr Gotthard has sufficient experience relevant to the styles of mineralisation and types of deposits which are covered in this announcement and to the activity which they are 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' ("JORC Code"). Mr Gotthard consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Section 1 sampling techniques and data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (e.g. 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.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (e.g. '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 (e.g. submarine nodules) may warrant disclosure of detailed information.*	• Historical rock chip, stream and channel sampling is detailed in historical DIGS databases • Various rock chip, stream sediment and soil sample programs have been completed over the tenure since 1967, as detailed in the body of the text
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. 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).*	• Historical drilling was by mud rotary, RAB and diamond core

Criteria	JORC Code explanation	Commentary
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *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.*	• No historical sample recovery information is available
Logging	• *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.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• N/A
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *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.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Historical assaying is presented unadjusted from exploration reports • Sampling methods are not documented in all historical drilling

Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *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.* • *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	• Historical sampling information is partial and incomplete in some instances • Historical assay and sample methodologies may not represent current best practise
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Historical information is presented unadjusted from the results reported in the statutory reports
Location of data points	• *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.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• The Company has not sighted historical drill collars on ELA5852 • Drill collar locations were taken from historical exploration reports on the DIGS system via conversion of historical local grids • Grid conversion and accuracy is unknown
Data spacing and distribution	• *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*	• Reporting of historical exploration results is considered appropriate to the early stage exploration

Criteria	JORC Code explanation	Commentary
	estimation procedure(s) and classifications applied. • *Whether sample compositing has been applied.*	
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *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.*	• N/A
Sample security	• *The measures taken to ensure sample security.*	• N/A
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• N/A

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *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.* • *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.*	• ELA5852 is located in New South Wales and is an application held 100% by Syndicate Minerals Pty Ltd • Silver City Minerals holds an exclusive Option and Purchase Agreement over ELA5852 until 25th April 2020
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Exploration results were sourced from DIGS exploration reports available from the Department of Mines and Resources of New South Wales online databases
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The project lies within the Ordovician to Carboniferous Lachlan Fold Belt, primarily within the Silurian and Devonian volcanosedimentary succession
Drill hole Information	• *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:* • *easting and northing of the drill hole collar* • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* • *dip and azimuth of the hole* • *down hole length and interception depth* • *hole length.*	• Drill hole information is sourced entirely from historical DIGS reports and GSNSW databases

Criteria	JORC Code explanation	Commentary
	• *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.*	
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* • *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 and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• N/A
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').*	• No determination of true widths has been made
Diagrams	• *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.*	• A map showing tenement locations has been included • Maps showing the distribution of mineralised occurrences and anomalies has been provided

Criteria	JORC Code explanation	Commentary
Balanced reporting	• *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.*	• Historical results have been described in a manner consistent with historical interpretations of them, except where modified by work undertaken by the Company. • It is considered unfeasible and inappropriate to report all historical results.
Other substantive exploration data	• *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.*	• N/A
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• No field work is planned prior to negotiating Deed of Access