



30 April 2020

Listings Compliance (Sydney)
ASX Compliance Pty Ltd
20 Bridge Street
Sydney NSW 2000

SCI QUARTERLY ACTIVITIES REPORT

For the 9 Months Ending 31 March 2020

Silver City Minerals Limited (ASX: **SCI**) (**Silver City** or **Company**) is pleased to provide the following summary of its activities for the nine (9) months ending 31 March 2020 (**Period**).

Highlights

- During the Quarter, the Company announced an option to acquire the Wellington Project, a highly prospective copper-gold exploration package in the Lachlan Fold Belt, NSW.
- The Wellington Project is strategically located in Australia's largest porphyry province and circa 15kms south of Alkane Resources' Boda Discovery
- Subsequent to the end of the March Quarter, Silver City exercised its option to acquire the Wellington Project
- Work conducted on the Wellington Project to date has identified a number of areas for additional follow up, including a significant 1.2km copper anomaly from historic works at the Wilunga Copper Prospect where limited reliable gold testing has occurred
- The Company also continues to look at other opportunities to expand its footprint in the Lachlan Fold Belt
- Review of EL8579 Tindery Project near Cobar in NSW has identified intrusion related gold potential with particular interest around a 15km prospective fault on the tenure – work here is ongoing.
- A Share Placement to raise \$250,000 was completed

Operations

Silver City Minerals Ltd (**SCI**, or, the **Company**) holds a considerable portfolio of mineral exploration tenure in the highly endowed and highly prospective Broken Hill region of the Curnamona Province, understood to be one of the largest single company holdings in the area. The Company's Projects include Copper Blow, interpreted to be an Iron Oxide Copper Gold (IOCG) deposit, the Razorback West Project and tenure over the Euriowie Block including the Yalcowinna Cu-Co prospect. The Company also has the Tindery Project in the Cobar Region of NSW.

Wellington Project Option

On 11 March 2020, the Company announced an Option to Acquire the Wellington Project ELA8525, located adjacent to Wellington, New South Wales. The Wellington Project is located circa 15kms from Alkane Resources' Boda Discovery.

As part of the Option agreement, Silver City has been conducting due diligence on the Project which has confirmed that Wellington has potential to host porphyry copper-gold mineralisation and other styles of mineralisation. A number of areas of interest have been identified for follow up. One of the key targets will be the significant 1.2km copper anomaly identified 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. The area has seen limited gold assaying in historic soil sampling and requires follow up work (refer Announcement 16 April 2020).

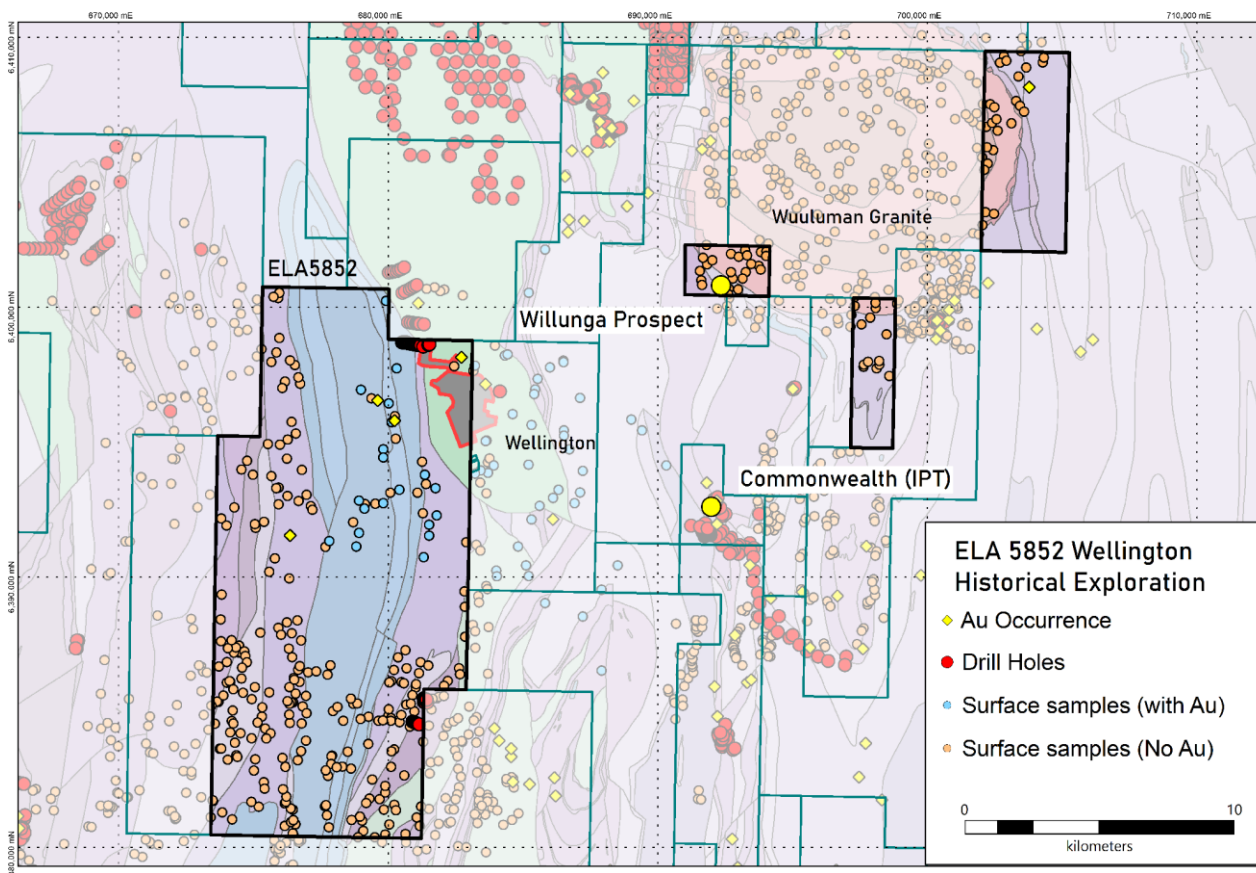


Figure 1: ELA8525 Wellington Historical Exploration Compilation

Subject to the end of the quarter, Silver City Exercised its option to acquire the Wellington Project (refer announcement 28 April 2020). The Company is now moving to complete the transaction and will move forward with plans to explore what the Company believes to be highly prospective tenure. The Company also continues to look at other potential acquisition opportunities to build its footprint in the area.

EL8579 Tindery

The Company has reviewed past work by Silver City Minerals and previous tenement operators on the EL8579 Tindery, near Cobar, New South Wales. EL8579 Tindery is located 45 km north of Cobar, and covers an area of 288km². The tenement covers elements of the Cobar Basin, an Ordovician metasedimentary succession host to several significant mines. The prospective Chesney Fault System strikes onto the southern portion of EL8579, with 15km of prospective fault on the tenure.

The Cobar Basin is intruded by a suite of Silurian aged granitoids, including the Tindery Granite. Several mineral occurrences of gold and reported historical small-scale mines and workings are reported within the Girilambone Group within proximity to the contacts of the Tindery Granite.

Historical work on the project has been limited, with a series of rock chip samples and RAB drilling completed by Dominion Mining in 1994.

At the **Tinderra Tank** prospect, Dominion identified gold in chalcedonic quartz veins with a 2.5km strike, with a maximum assay of 2.1g/t Au. Dominion drilled the Tinderra Tank prospect, with six RAB holes for a total of 167m, returning

- 2m @ 0.83g/t Au from 6m (TPD-1)
- 2m @ 0.21g/t Au from 6m (TPD-6).

At the **Golconda Prospect**, reconnaissance rock chip sampling of the mullock dumps returned assays of up to 2.5ppm Au and 130ppm As. The Golconda workings extend over an area of 400m x 250m associated with veins and shears. No drilling was undertaken.

The **NW Corner Prospect** is anomalous in antimony, arsenic, copper, lead and silver.

The **Chesneys Folly** prospect is anomalous in Au to 2.1ppm in historic drilling. Limited sampling by Robust Resources has defined a Au-Ag-Pb-Sb-As-Zn-Cu association in magnetic lag traverses that requires follow-up

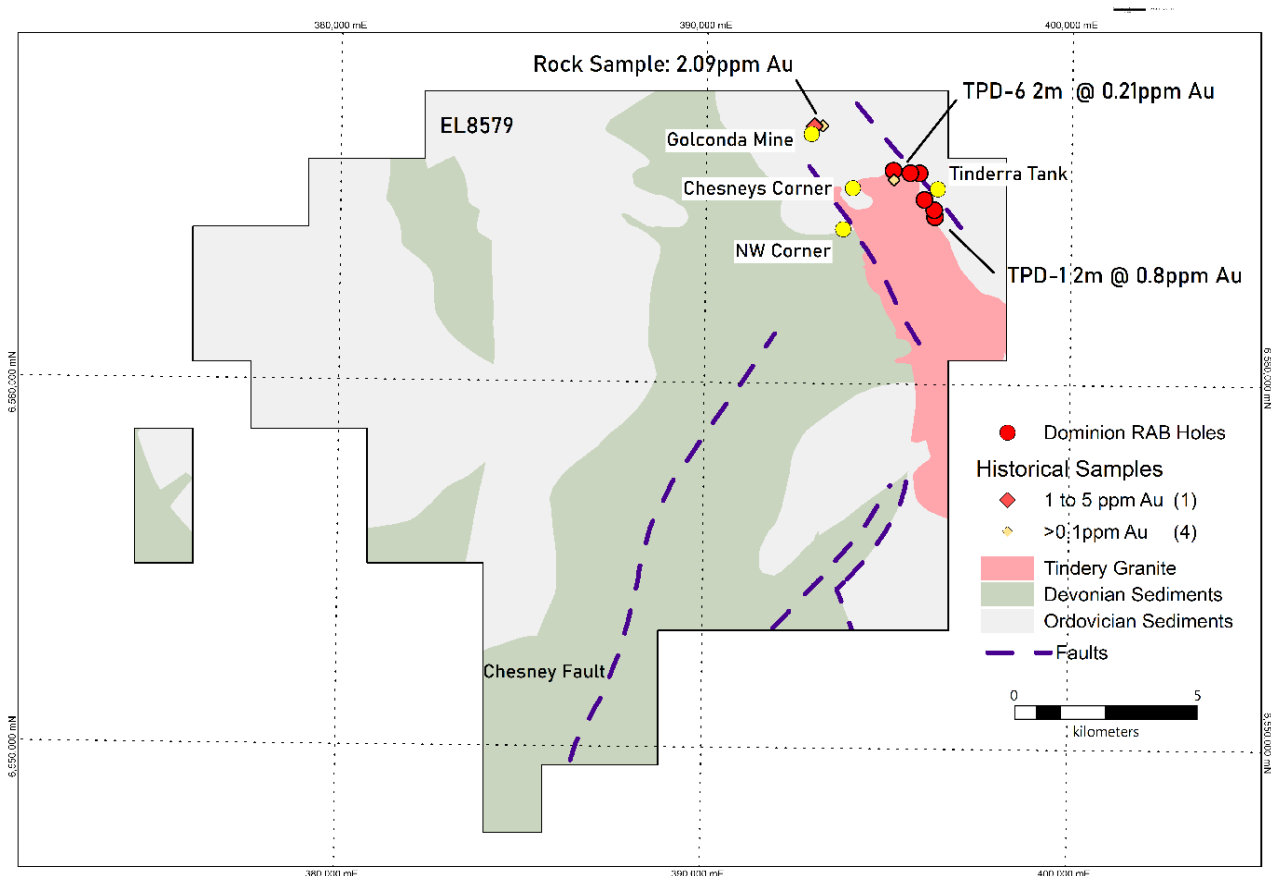


Figure 2: ELA5879 Tindery historical gold mineralisation

Orientation sampling by Silver City Minerals in 2017, over the Chesney Fault, identified As-Cu-Pb-Bi anomalism associated with sheared conglomerates of the Girilambone Group. This is interpreted to represent an intrusion-related gold system within proximity to the Tindery Granite. Silver City continues to review exploration opportunities for ELA5879 in the near term.

Corporate Activities

In response to the challenging market conditions and the COVID-19 pandemic, The Company has rationalized its operation in Broken Hill to minimize cash burn and secure the physical assets of the Company. During the Quarter Mr Darren Wates resigned as Director of Silver City minerals Ltd to pursue other opportunities. Mr Roland Gotthard was appointed as Director of Silver City Minerals.

On 18 March 2020, SCI announced that it had completed the Placement of 25 million Shares at \$0.01 per Share for \$250,000 (Placement). Subject to shareholder approval, for every Placement Share subscribed, participants will receive (1) free attaching option exercisable at \$0.02 per share and expiring 31 October 2022 (Attaching Options).

Pursuant to Section 6 of the Appendix 5B, the Company paid \$38,624 in director fees, superannuation and wages to the board of Silver City Minerals Limited.

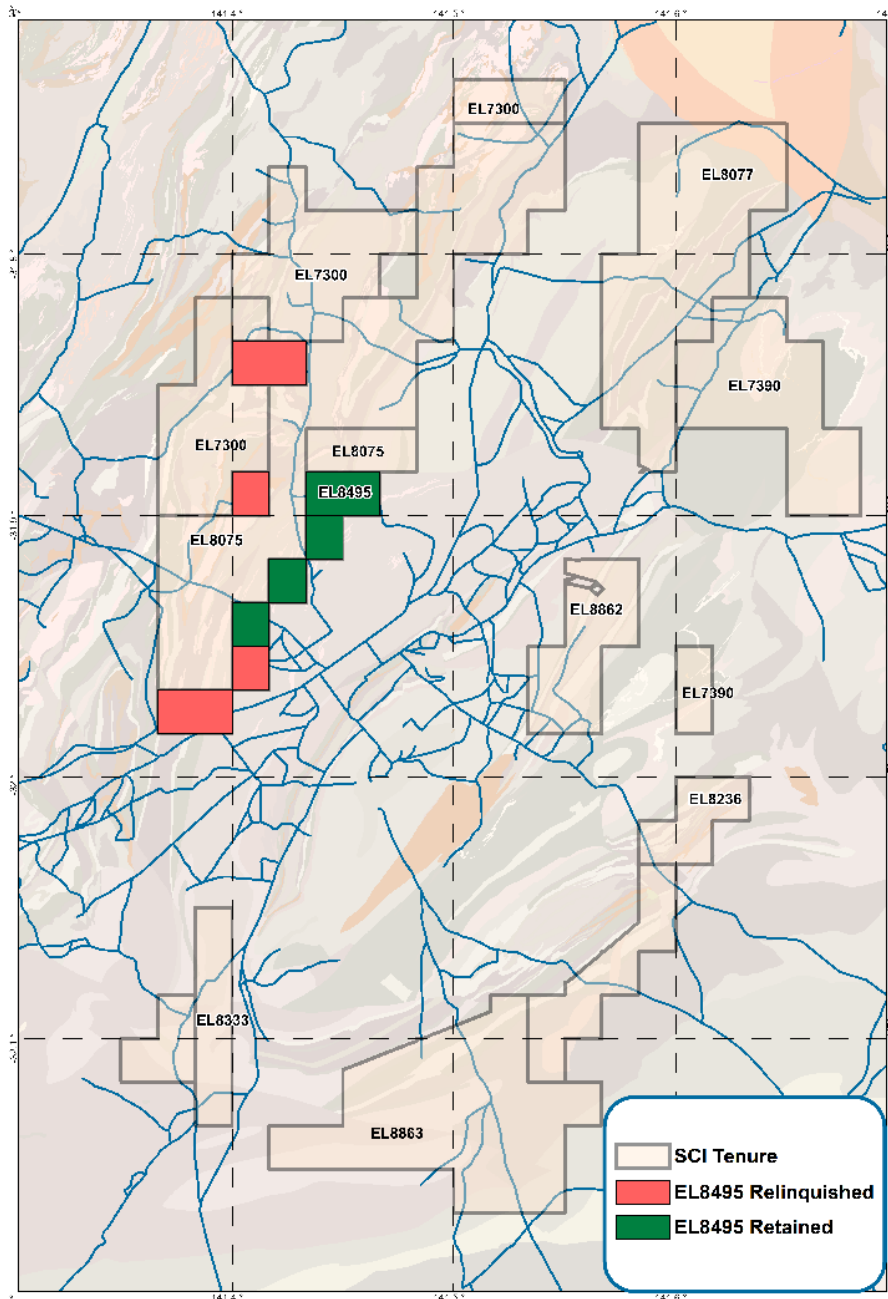
Current Capital Structure

Category	ASX Code	Number
Fully Paid Ordinary Shares on Issue	SCI	368,710,253
Unquoted Options (\$0.03 – 16/01/21 expiry)	-	3,000,000
Unquoted Options (\$0.06 – 5/06/22 expiry)	-	4,000,000
Unquoted Options (\$0.05 – 29/11/20 expiry)	-	2,000,000
Unquoted Options (\$0.03 – 27/02/22 expiry)	-	26,750,000
Unquoted Options (\$0.02 – 31/10/22 expiry)	-	30,000,000

Tenement Schedule

EL8495 is subject to a 50% compulsory reduction in line with NSW mining regulations. The Company has advised the NSW Resources Regulator of the intention to relinquish 6 of the 11 sub-blocks, as detailed in figure below. The reduction will come into effect in the near term. The Company continues to manage its tenement position as tenure comes to end of term and renewal.

TenementId	Manager	Project	Holder1Shares	CurrentArea	GrantDate	ExpiryDate	Comments
EL 7300	*SICM	ARAGON	100	37	23/02/2009	23/02/2020	Previously ELA 3584, 3585 & 3586
EL 7390	*SICM	YELLOWSTONE	100	24	20/08/2009	20/08/2023	Previously ELA 3705
EL 8020	*SICM	RIDDOCK	100	6	23/11/2012	23/11/2023	Previously ELA 4558
EL 8075	*SICM	WILLYAMA	100	40	15/04/2013	15/04/2022	Previously ELA 4646
EL 8077	*SICM	RAZORBACK	100	23	15/04/2013	15/04/2022	Previously ELA 4655
EL 8078	*SICM	YALCOWINNA	100	36	15/04/2013	15/04/2022	Previously ELA 4654
EL 8236	*SICM	NATIVE DOG	100	4	11/02/2014	11/02/2020	Previously ELA 4925
EL 8333	*SICM	ENMORE	100	5	17/12/2014	17/12/2023	Previously ELA 5076
EL 8495	*SICM	SOUTHERN CROSS	100	11	22/12/2016	22/12/2019	Previously ELA 5362
EL 8579	*SICM	TINDERY	100	98	26/05/2017	26/05/2020	Previously ELA 5416
EL 8685	*SICM	ASPEN	100	2	23/01/2018	23/01/2024	
EL 8862	*SICM	CLEVEDALE	100	8	17/06/2019	17/06/2025	Previously ELA 5731 (ELA 5731 was applied for to consolidate EL 8074 and part of EL 8255)
EL 8863	*SICM	HIMALAYA	100	29	17/06/2019	17/06/2025	Previously ELA 5732 (EL 5732 was applied for to consolidate EL 8076, part of EL 8255, EL 8629 and ELA 5702 plus some additional ground)



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

-ENDS-

Contact details

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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.

ASX Listing Rules Compliance

In preparing the Quarterly Activities report for the period ended 31 March 2020, the Company has relied on the following ASX announcements

ASX Announcement	11 March 2020	Highly Prospective Lachlan Fold Copper Gold Project Secured
ASX Announcement	11 March 2020	Proposed Issue of Securities - SCI
ASX Announcement	12 March 2020	Half Year Financial Report
ASX Announcement	18 March 2020	Placement Completion and Extension of Option
ASX Announcement	25 March 2020	DD Progressing on Acquisition 15kms from Boda
ASX Announcement	16 April 2020	Significant 1.2km copper anomaly identified at the wellington project located 15km from Boda Discovery
ASX Announcement	28 April 2020	SILVER CITY EXERCISES OPTION TO ACQUIRE WELLINGTON PROJECT

Compliance Statement

This report contains information extracted from reports cited herein. These are available to view on the website www.silvercityminerals.com.au. In relying on the above ASX announcements and pursuant to ASX Listing Rule 5.23.2, the Company confirms that it is not aware of any new information or data that materially affects the information included in the abovementioned announcements or this Quarterly Activities for the period ended 31 March 2020.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Silver City Minerals Limited

ABN

68 130 933 309

Quarter ended ("current quarter")

31 March 2020

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation (if expensed)	(59)	(168)
(b) development	-	-
(c) production	-	-
(d) staff costs	-	-
(e) administration and corporate costs	(58)	(227)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	2
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	5
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	10
1.9 Net cash from / (used in) operating activities	(116)	(378)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation (if capitalised)	-	-
(e) investments	-	-
(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	443	743
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(20)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	443	723

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	460	442
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(116)	(378)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	443	723

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	787	787

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	787	460
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	787	460

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	39
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-

7.5	Unused financing facilities available at quarter end	-
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7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

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8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (Item 1.9)	116
8.2	Capitalised exploration & evaluation (Item 2.1(d))	-
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	116
8.4	Cash and cash equivalents at quarter end (Item 4.6)	787
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	787
8.7	Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	6.79

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: NA

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: NA

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: NA

Compliance statement

- This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- This statement gives a true and fair view of the matters disclosed.

Date:30/4/20.....

Authorised by:By the Board.....
(Name of body or officer authorising release – see note 4)

Notes

- This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
- If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.