



ASX ANNOUNCEMENT

19 August 2015

Silver City Commences drilling at the Balaclava Zinc project, Broken Hill.

Highlights

- Balaclava, the fault-displaced extension of the Broken Hill mine corridor.
- Drilling to test rock package hosting zinc sulphides.

Silver City Minerals Limited (ASX:SCI) is pleased to announce that it has commenced diamond drilling at the Balaclava Zinc project south of Broken Hill. SCI (75%) and its joint venture partner CBH Resources Limited (25%) have been evaluating Balaclava as a possible extension to the Broken Hill mine corridor. The joint venture has identified a folded rock sequence which hosts zinc-mineralised “lode rocks”. Zinc sulphide mineralisation is hosted in five close-space lode horizons in a rock package approximately 150 metres wide. Drilling is designed to fully test the mineralised package. Work should be completed in two to three weeks.

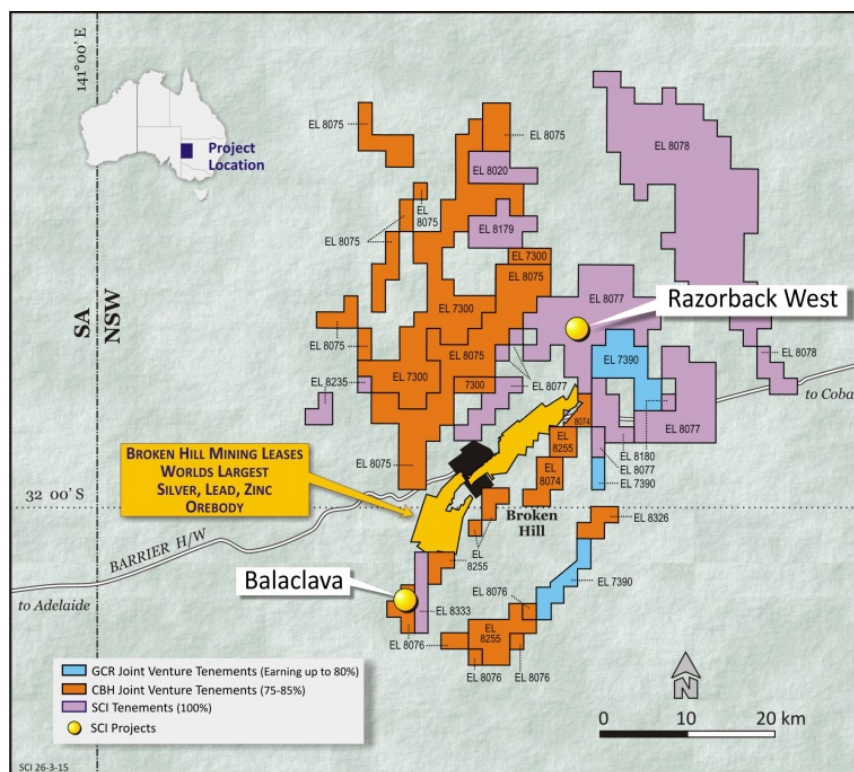


Figure 1: Location of Silver City tenements and Balaclava Project

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. It has been granted tenements in New Zealand to explore for epithermal gold deposits.

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.) 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 he is undertaking to qualify as a "Competent Person" 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

Ian Hume - Non-Executive Director

Yanina Barila - Alternate Director

Ivo Polovineo - Company Secretary

Gordon McLean - Exploration Manager

Registered Office

Level 1, 80 Chandos St, 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

Web: www.silvercityminerals.com.au