SILVER CITY MINERALS LIMITED



Silver City Minerals

Annual General Meeting 19 November 2015

SILVER CITY MINERALS SNAPSHOT

BROKEN HILL (Zn-Pb-Ag)

Project Review and Prioritization

- Razorback West
- Stephens Trig
- Balaclava

Focus and Plan

EM, Geochemistry and IP Targets

Evaluation of E2 Shoot

Drilling completed, new EM targets

TAUPO, NZ (Au-Ag)

- Geological mapping, rock chip sampling, mineralogical studies, LiDar acquired.
- Large poorly eroded geothermal system with anomalous geochemistry. recognised. **Potentially large gold-silver system.**
- Ongoing negotiations for long-term access prior to magnetic survey and drilling.

NEW PROJECTS

Search ongoing

SILVER CITY MINERALS LIMITED

	2013-2014	2014-2015
Shares (million)	116	116
\$ in bank at AGM	\$3.0 million	\$1.6 million
Share Price at AGM	3.0 cents	2.4 cents
Market Cap	\$3.5 million	\$2.8 million
Area of Tenure (km²)	1300	1200
Admin Expenditure	\$749,000	\$639,000
Exploration Expenditure	\$2.03 million	\$1.28 million
Locations	Broken Hill, Sellheim, Taupo	Broken Hill, Taupo

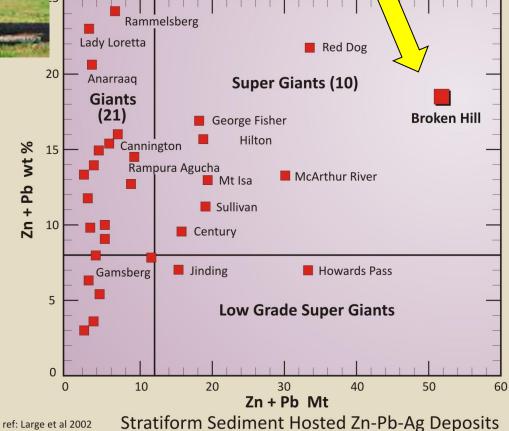
SILVER CITY MINERALS PROJECTS





Where does one look for

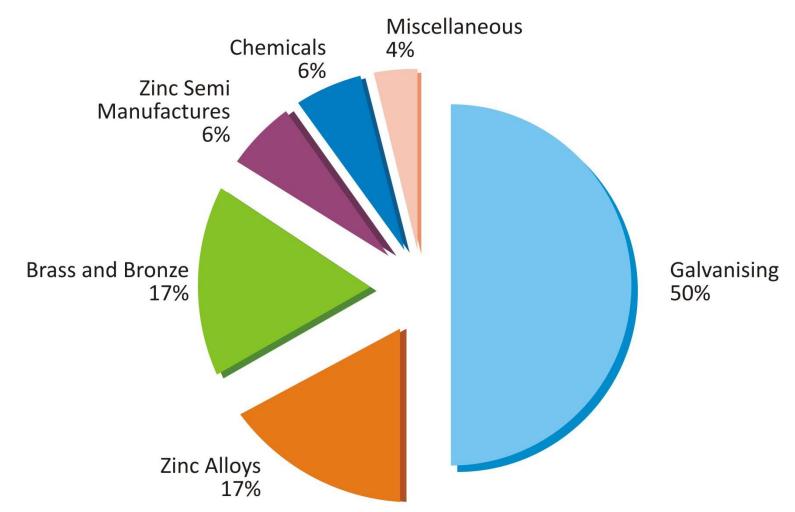
+ 1 Billion ounces Silver



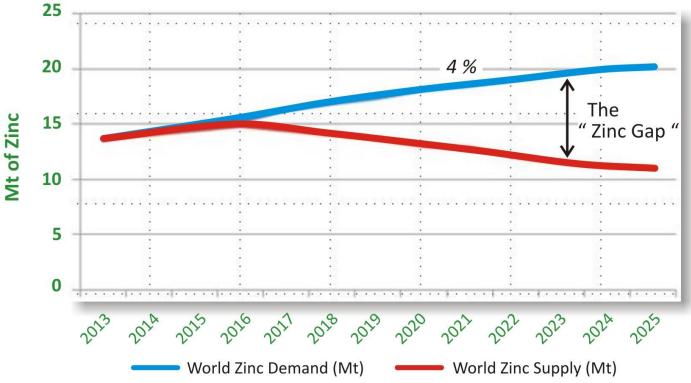
....elephants

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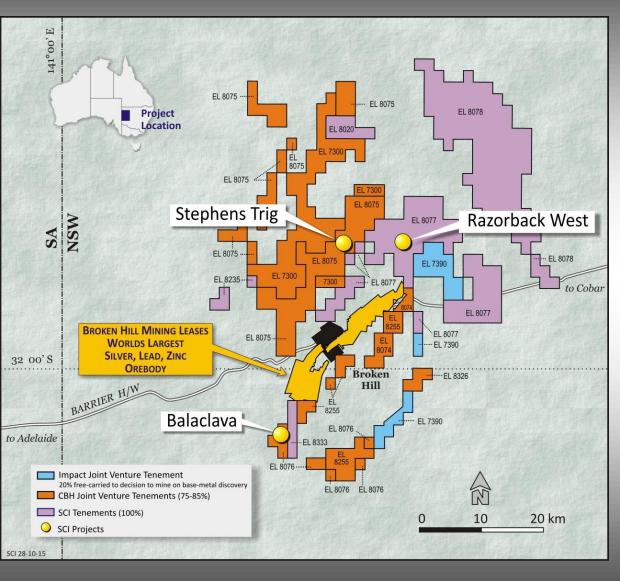
Increasing Demand-Supply Gap forecast for Zinc

- > Demand increasing
- Mines closing
- Limited new mine capacity to fill the gap

Source: HDR I Salva

A new zinc discovery of typical high grade Broken Hill ore (+15% Zn+Pb) will fill a significant part of the shortfall

SILVER CITY MINERALS BROKEN HILL



- Strong tenure position
- Belt of prospective rocks and major mineralised structures throughout the tenure
- Partnerships with CBH Resources and Impact Minerals

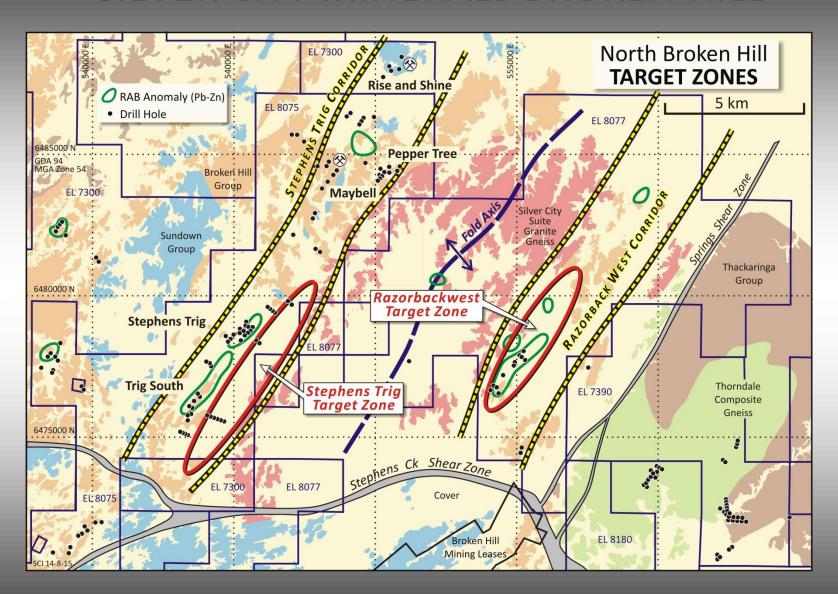
Peppertree Razorback Stephens Zinc RAB **Anomaly Anomaly** Acacia Vale Stephens Ck Shear Wolseley POTOSI **Worlds Largest** Zinc-Lead-Silver Deposit Broken Hill Line of Lode Corruga Comstock **Native Dog** Mineralised Corridor Pinnacles Broken Hill **Balaclava** Thackaringa - Pinnacles Shear Zone Galena Hill Zinc RAB **Anomaly** W Broken Hill - type deposits SCI Tenements

SILVER CITY MINERALS BROKEN HILL

Evaluation work this year focussed attention on three main areas

- Razorback West
- > Stephens Trig
- Balaclava

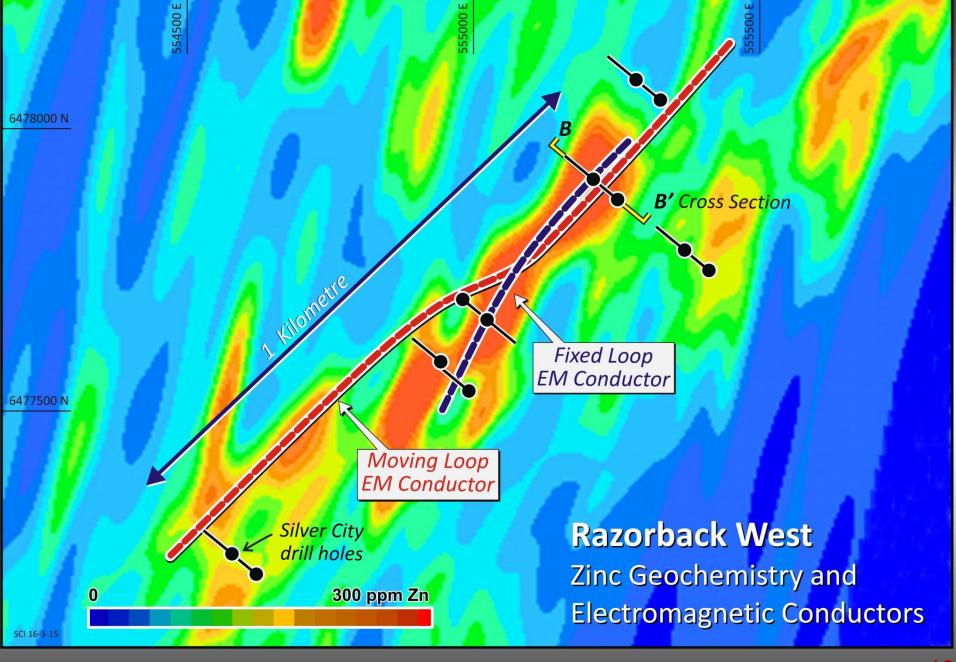
SILVER CITY MINERALS BROKEN HILL



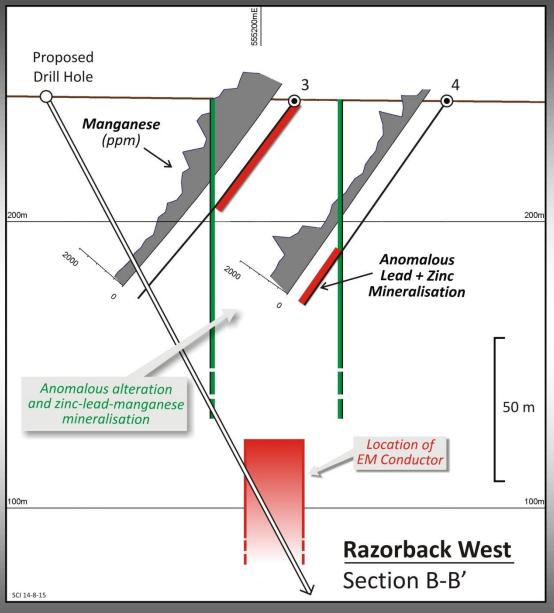
EL 8077 Gravity Maybell EL 7300 Anomaly Razorback EL 8075 West Stephens 🔕 Trig EL 8077 EL 7390 EL 8077 EL 7813 • South Zinc RAB **Anomaly** EL 7300 Stephens Ck | Shear Zone Iron Blow **Broken Hill MLs POTOSI** EL 8077 EL 8180 DEPOSIT Worlds Largest Zinc-Lead-Silver Deposit EL 8074 Broken Hill Line of Lode Mineralised Corridor EL 8255 EL 8077 EL 7390 EL 8074 DEPOSIT EL 8255 **Native Dog** SCI Prospect SCI Tenements 5 km

Razorback West

- Fault offset, northern extension of the Broken Hill mine corridor
- Same geology as Broken Hill under veneer of alluvial cover
- Large untested geochemical and geophysical anomalies

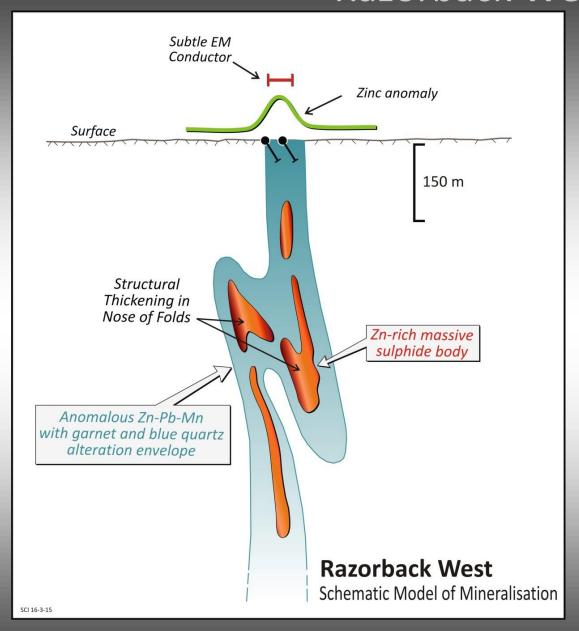


Razorback West



- Existing holes host elevated zinc, lead and manganese
- ➤ EM conductor lies beneath zones of geochemically anomalous rock
- ➤ EM interpreted to be 120 metres below surface

Razorback West



Conceptual cross-section through Razorback West shows

- A surface zinc anomaly in shallow RAB drilling
- Anomalous zinc in shallow reverse circulation drill holes
- The location of an electromagnetic conductor in relation to the zinc anomalism
- A conceptual, zinc-rich massive sulphide body at 120 – 150 metres below the surface; the geophysics suggests this depth
- SCI drill holes intersected the anomalous envelope, but not deep enough to test EM anomaly

Conclusion

Deeper drilling required

(ppm) 600 to 1,620 300 to 600 IP Survey **IP** Anomaly **EM Survey** Razorback West: Falcon Gravity **Gradiometry Image**

RAZORBACK WEST

Work Program

- Target massive sulphides under cover
- Further RAB geochemistry
- ➤ IP survey to NE
- Drilling (application for assistance under NSW government New Frontiers Cooperative Drilling)

Razorback West **EL 8077** 100% SCI EM Conductor EL 7390 JV with GCR 1000 m **Drill Targets** RAB/Auger Lead (ppm) IP Chargeability (mV/V) SCI Drill Holes

Razorback West

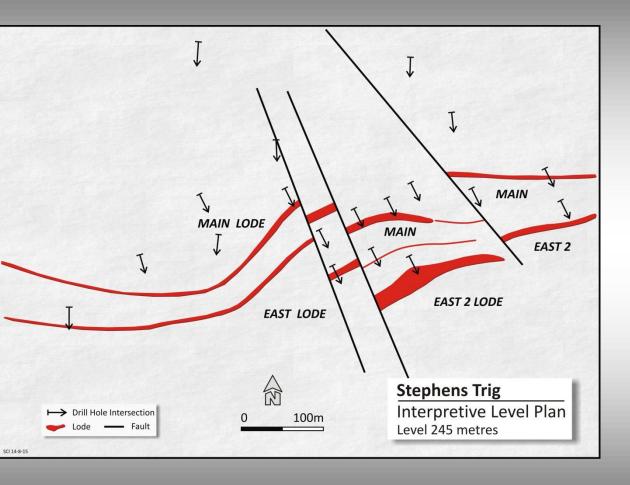
Seven new drill targets based on:

- Induced polarisation
- Electromagnetics
- Geochemical sampling

Notes:

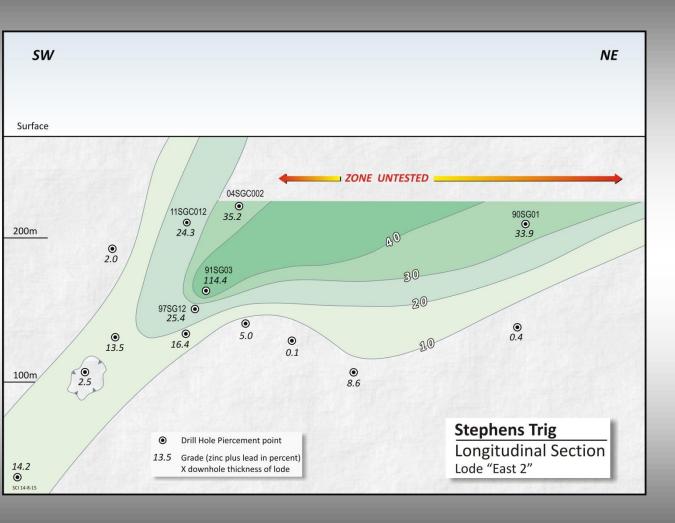
- 1. IP Chargeability maps the distribution of sulphide minerals in the rock. Hot colours are areas of greatest concentration
- 2. Contours in black show the distribution of anomalous lead in shallow RAB drilling
- 3. Black line shows the location of the electromagnetic conductor, where sufficient sulphide is present to conduct electricity. On the next slide this is strongly coincident with peak zinc values
- 4. Black Dots are the location of SCI drillholes from first phase of drilling
- 5. Red Crosses are new drill targets

Stephens Trig



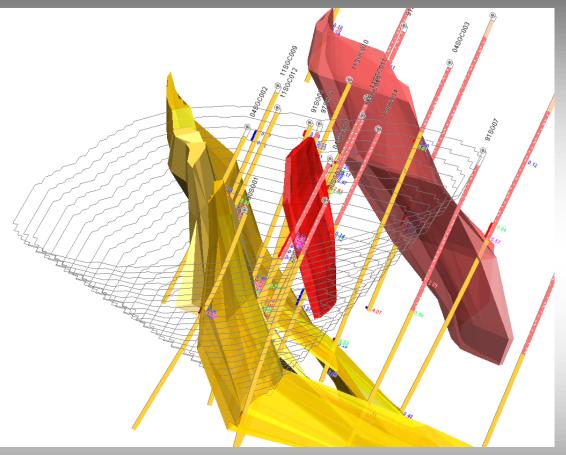
- Series of stacked sulphide lenses extending over 1 kilometre in strike
- SCI has undertaken 3D modelling of sulphide zones and stratigraphy
- Specifically interested in E2 Lode as potential open pit ore

Stephens Trig E2 Lode



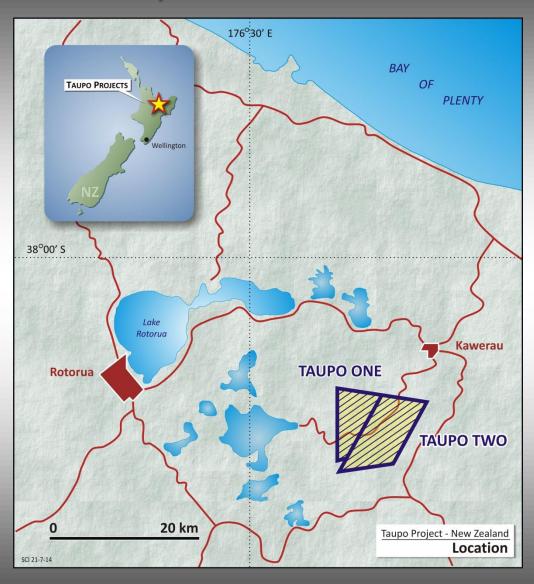
- Up-plunge extensions are untested in zone of potential open pit
- Economic modelling currently ongoing to assess minimum orebody size and grade required
- ➤ Joint Venture with CBH Resources with existing mill only 20 km to south

Stephens Trig E2 Lode

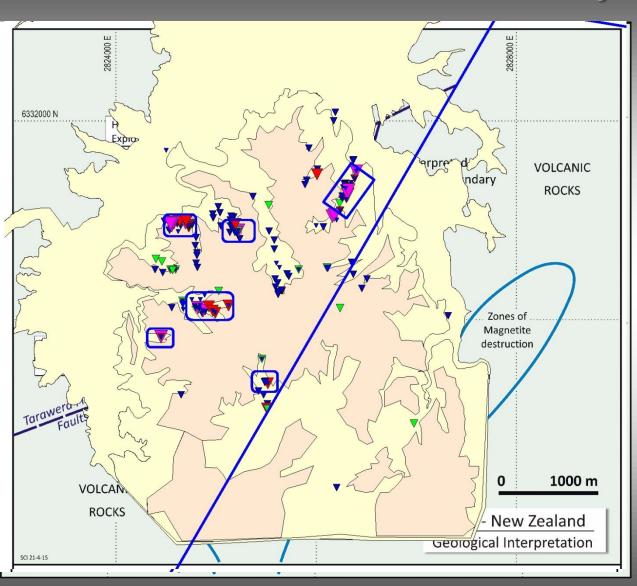


Preliminary economic modelling provides encouragement for drill testing of open pit potential

Taupo New Zealand

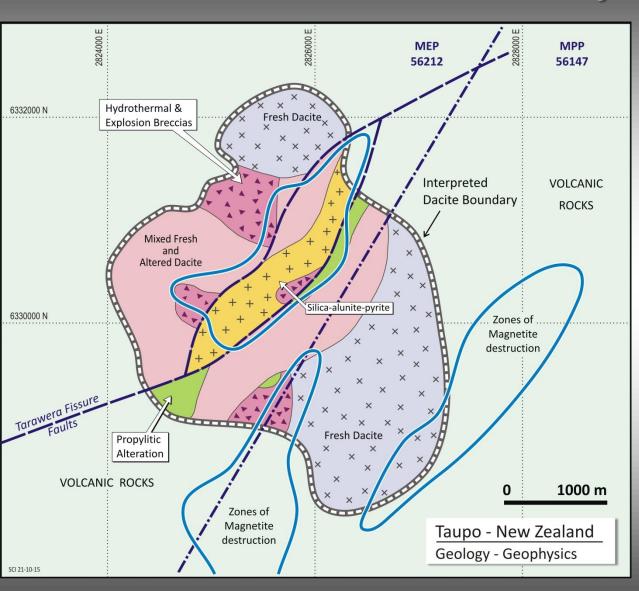


Goldmine Hill Project



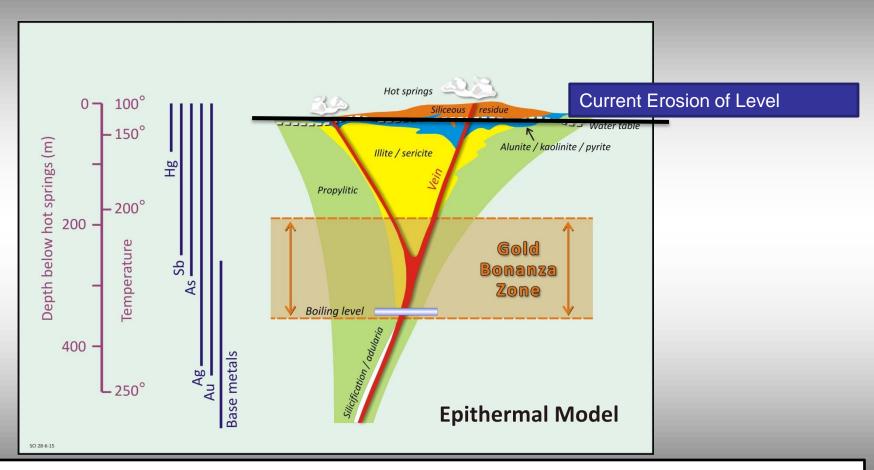
- Outcrop extremely poor. Covered by young volcanic ash, scree and alluvium
- Areas of anomalous gold-arsenic-antimonytungsten-thallium shown in blue boxes

Goldmine Hill Project



Interpretive geology based on limited outcrop data

EPITHERMAL GOLD MODEL



Rocks and geochemistry tell us we are in the upper levels of a poorly eroded, young geothermal system. Gold in this model forms 200m below current surface.

SILVER CITY MINERALS CONCLUSIONS

BROKEN HILL, NSW

- Large focused land tenure position
- Potential for high grade giant basemetal and silver-rich orebodies
- Focus on Razorback, Stephens Trig and Balaclava
- New round of drilling in planning stage (Razorback and Stephens Trig)

TAUPO, NEW ZEALAND

- Geological mapping and first pass completed
- Magnetic survey and drilling required

NEW PROJECTS

Search ongoing

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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 to 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.

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