



30 May 2016

\$1.3 Million Capital Raising to Progress Lithium Exploration

Silver City Minerals Limited (ASX:SCI) (the “Company” or “Silver City”) is pleased to announce a placement of new shares to sophisticated investors for a total value of \$785,000 (“**Placement**”). The Company will also be conducting a Share Purchase Plan to existing eligible shareholders to raise \$500,000 (“**SPP**”). The new shares will be issued at a price of 4.5 cents.

The Placement comprises an issue of 17,445,090 ordinary shares, the maximum capacity available pursuant to ASX Listing Rule 7.1. Placement participants will also receive a 1 for 2 free attaching option exercisable at 6.7c with a 3 year expiry. The Options will be subject to shareholder approval at a general meeting to be convened as soon as practicable.

The SPP will enable existing shareholders to participate in the capital raising at the same issue price as the Placement without incurring brokerage or other transaction costs. Eligible shareholders (being those shareholders on Silver City’s register at 7pm on 27 May 2016 with registered addresses in Australia and New Zealand) will have the opportunity to apply for up to \$15,000 worth of ordinary fully paid shares in the Company. The SPP is targeted to raise \$500,000 with full details of the SPP to be sent to eligible shareholders shortly.

Patersons Securities Limited has been appointed Lead Manager to the Placement and SPP.

The company recently announced extensive zones of pegmatites outcropping over 100kms within its tenements in Broken Hill. The purpose of the capital raising is to fund a comprehensive exploration program for lithium within the identified zones with field work to commence shortly.

Silver City’s Managing Director, Chris Torrey commented: “It is encouraging that Silver City received strong support to undertake a placement to fund our planned lithium exploration at Broken Hill. We are very excited about the lithium potential within our portfolio and will be on the ground shortly commencing work.”

An indicative timetable for the SPP is provided below. The SPP is currently scheduled to close on Monday 27 June however the timetable may be subject to change.

This timetable is subject to change. Silver City reserves the right to vary the timetable without notice. The commencement of trading of new shares is subject to confirmation from ASX.

Event	Date
SPP record date	7:00pm (AEST), Friday 27 May 2016
SPP offer opens	Monday, 6 June 2016
SPP offer closes	5:00pm (AEST), Monday, 27 June 2016
SPP results announcement	Thursday, 30 June 2016
Despatch date	Monday, 4 July 2016
SPP shares commence trading	Wednesday, 6 July 2016

Ends

ABOUT Silver City Minerals Limited

Silver City Minerals Limited (SCI) is a base metal and lithium 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 base-metals and has embarked on a detailed assessment of lithium in pegmatites. It has a pipeline of prospects moving toward the drill assessment stage. The Company continues to seek out quality projects for exploration and development.