



ASX ANNOUNCEMENT

15 January 2013

Silver City identifies Geophysical Anomalies at Razorback West

- **Silver City identifies IP chargeability anomalies at Razorback West.**
- **Anomalies coincident with zones of elevated lead and zinc geochemistry and a distinctive elongate gravity anomaly.**
- **Broken Hill type (BHT) lode rocks with elevated lead and silver located within IP anomalies.**
- **Anomalies provide targets for follow-up drilling.**

Silver City Minerals Limited (ASX:SCI) is pleased to announce that it has recently received results from an Induced Polarisation (IP) geophysical survey conducted late in December 2012 at its 100% owned Razorback West project approximately 15 kilometres northwest of Broken Hill, Australia (Figure 1).

The Razorback West survey of approximately 25 square kilometres was designed to cover an area of elevated lead-zinc geochemistry previously defined by RAB and RC drilling and has highlighted three distinct zones of elevated chargeability; the *Central, Northeast, and East Zones* (Figure 2). The *Central Zone* in particular has outlined anomalies which show a strong correlation to a distinctive elongate gravity anomaly and elevated lead and zinc geochemistry delineated in the earlier drilling (Figures 2 & 3).

Geological interpretation suggests that the host rocks in the Razorback West area comprise both the Broken Hill and Thackaringa Groups; metamorphosed volcano-sedimentary sequences known to host Broken Hill type (BHT) mineralisation. SCI believes that the geochemical anomalies identified at Razorback West may represent the northern extension to the famous Broken Hill "line of lode" corridor offset westward by a fault structure known as the Stephens Creek Shear Zone. These geochemical anomalies are likely associated with base metal sulphides and the IP survey was completed to identify zones of sulphide-bearing rock located in or around potential high grade silver-lead-zinc mineralisation.

Commenting on the survey, Silver City Minerals Managing Director Chris Torrey said, "SCI geologists are highly encouraged by the results of the IP survey, which has generated a number of quality targets within rock units similar to those which encompass the Broken Hill deposit to the south. The presence of lead and silver-bearing BHT "lode rocks" within the IP anomalies highlights the potential for massive sulphide mineralisation in the area."

A systematic drilling campaign has been planned to fully assess these targets which the Company anticipates will commence in March-April 2013.

Note: Descriptions of anomalies are available on the Silver City website at www.silvercityminerals.com.au.

SILVER CITY MINERALS LIMITED


Christopher Torrey
Managing Director

Competent Person

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 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 2004 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.

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 one of the world's largest accumulations of silver, lead and zinc; the Broken Hill Deposit. SCI was established in May 2008 to explore specifically in the District where it controls Exploration Licences through 100% ownership and various Sale and Joint Venture agreements. It has a portfolio of highly prospective ground with drill-ready targets focused on high grade silver, gold and base-metals, and a pipeline of prospects moving toward the drill assessment stage.

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 Street, St Leonards, NSW 2065
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

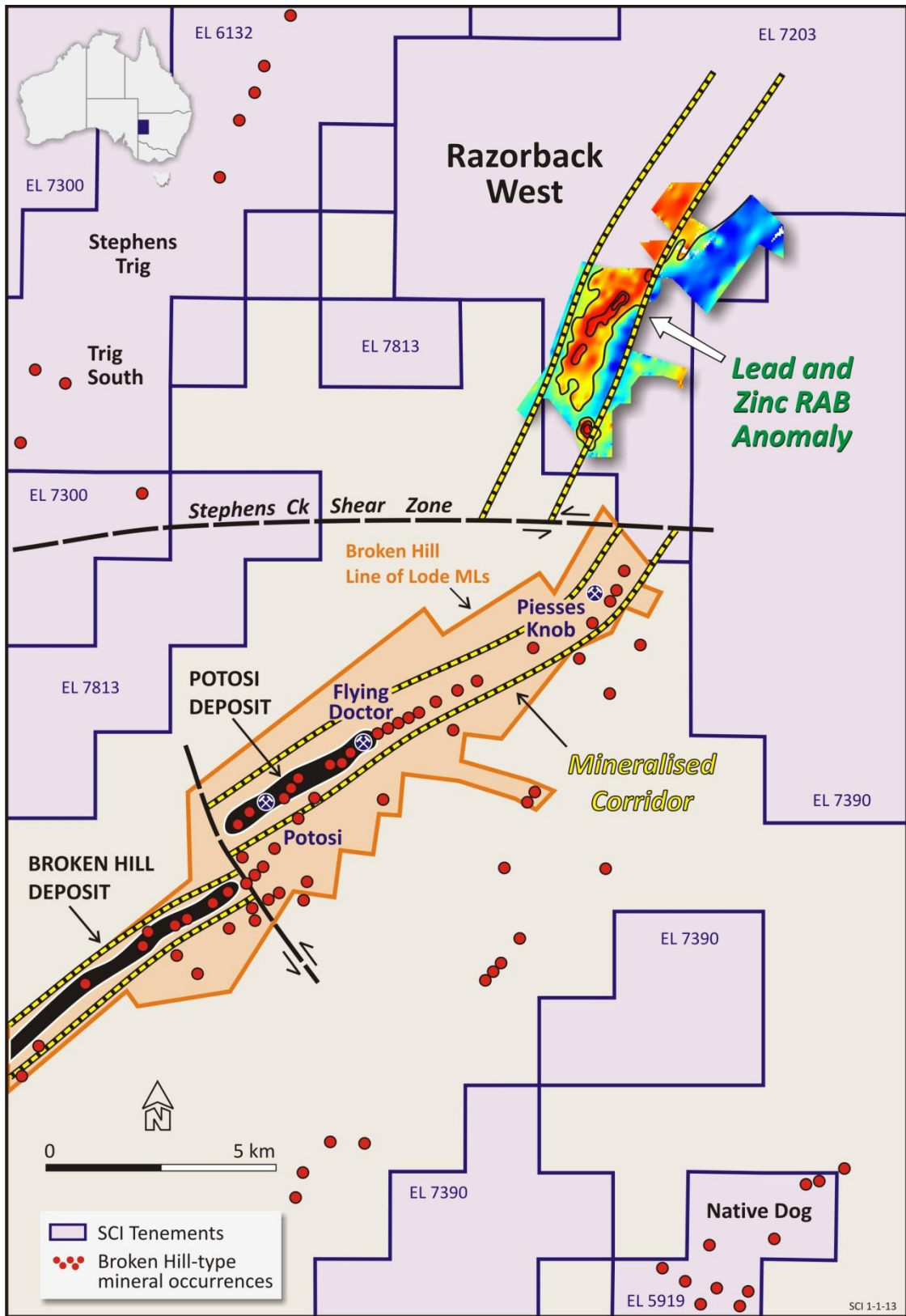


Figure 1 Broken Hill Line of Lode mineralised corridor. This interpretation shows line of Lode workings truncated to the north by the Stephens Creek Shear Zone and the location of the SCI RAB geochemical anomaly in relation to the postulated northern extension of the Line of Lode. The RAB anomaly is shown in Figure 2 in more detail.

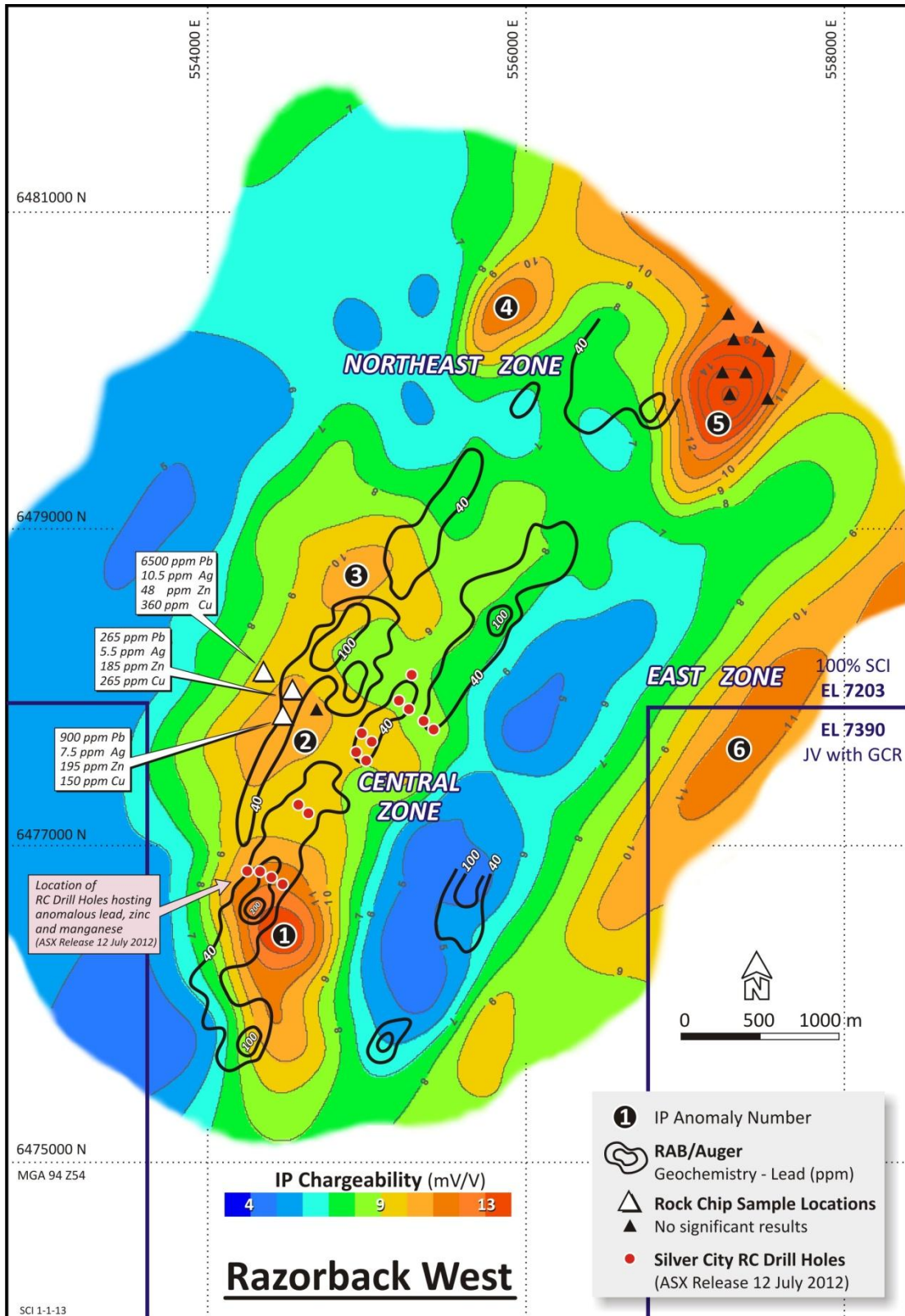


Figure 2 Razorback West project showing IP chargeability anomalies (coloured image) in relation to SCI drilling and RAB geochemistry. Anomalous lead geochemistry shows a broad correlation to elevated IP within the *Central Zone*.

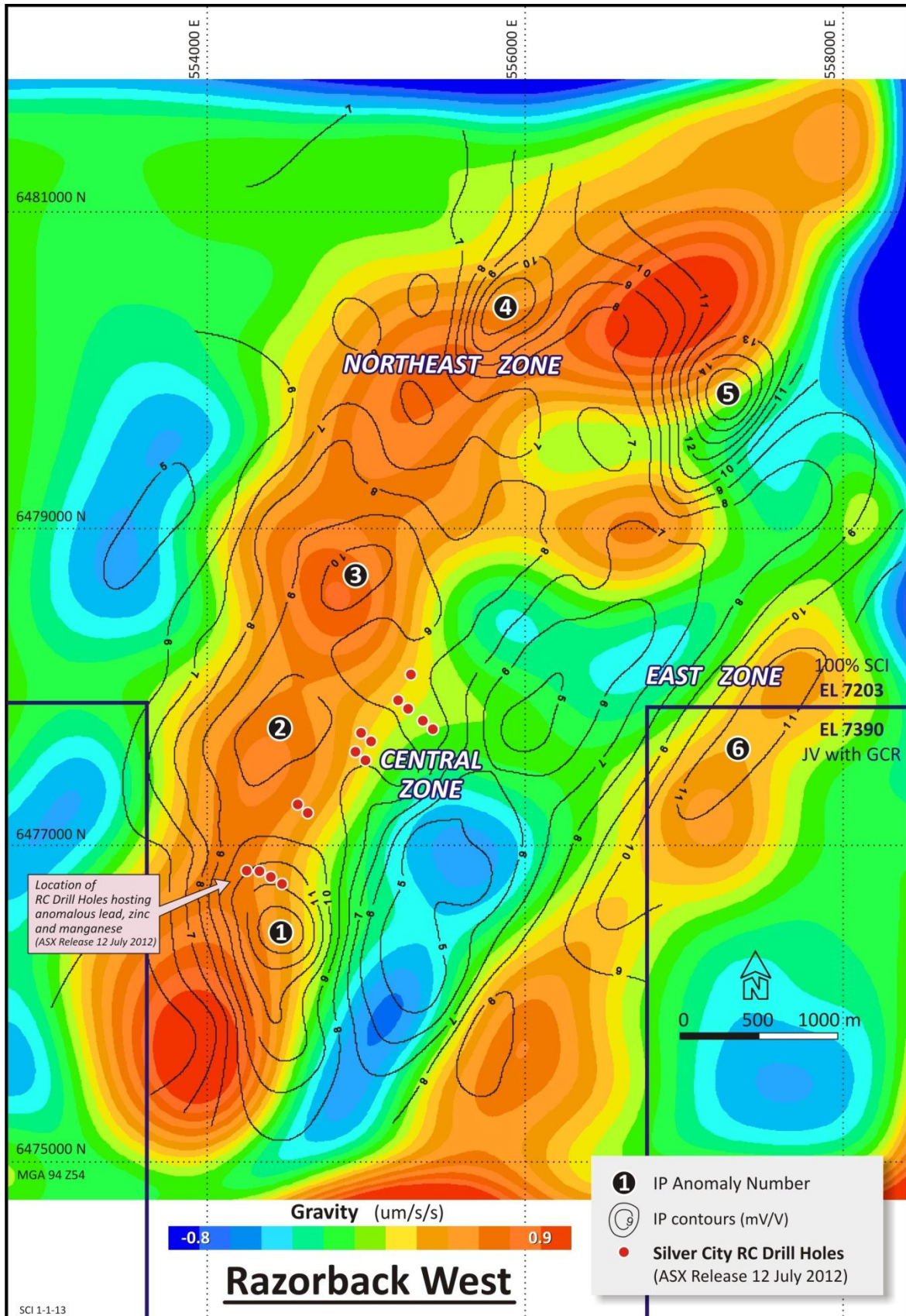


Figure 3 Razorback West IP chargeability (shown in contours) in relation to gravity (shown in coloured image).