

SILVER CITY MINERALS LIMITED



ASX ANNOUNCEMENT

12 August 2019

Dear Melissa,

ASX PRICE QUERY

I refer to your letter dated 12 August 2019 regarding today's increase in price and increase in volume of trading of Silver City Minerals Limited (ASX: **SCI**) (**Silver City** or **Company**) securities. In response Silver City advises the following:

1. The Company is not aware of any information that has not been released to the market that may be a reason for the movement in price for its securities.
2. The Company notes its significant land holding within Broken Hill and the increased general market demand for exposure to Silver (Ag), Lead (Pb) and Zinc (Zn), for which the Company provides. These are all commodities the Company has a historical connection to, and skill set in exploring. The Company's existing portfolio of exploration ground contains exposure to these elements and it is reasonable that the market assumes the Company is, in the best interest of creating shareholder value, pursuing all means of ensuring it has access to meaningful exploration exposure to such elements by way of its existing holdings or its skill set in exploring for such elements.
3. The Company is in compliance with the Listing Rules, in particular listing rule 3.1.
4. The Company's responses to the questions above have been authorized and approved in accordance with it's the continuous disclosure requirements and pursuant to collective board approval.

Josh Puckridge
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.

-END-



12 August 2019

Reference: ODIN05290

Mr Sonu Cheema
Company Secretary
Silver City Minerals Limited
Level 1, 80 Chandos St
St Leonards NSW 2065

By email

Dear Mr Cheema

Silver City Minerals Limited ('SCI'): Price Query

We note the change in the price of SCI's securities from a low of \$0.008 on 7 August to a high of \$0.021 today.

We also note the significant increase in the volume of SCI's securities traded during that period.

Request for Information

In light of this, ASX asks SCI to respond separately to each of the following questions and requests for information:

1. Is SCI aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?

If the answer to question 1 is "yes".

- (a) Is SCI relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in SCI's securities would suggest to ASX that such information may have ceased to be confidential and therefore SCI may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.
 - (b) Can an announcement be made immediately? Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).
 - (c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
2. If the answer to question 1 is "no", is there any other explanation that SCI may have for the recent trading in its securities?
 3. Please confirm that SCI is complying with the Listing Rules and, in particular, Listing Rule 3.1.
 4. Please confirm that SCI's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of SCI with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **1:00 PM AEST today Monday, 12 August 2019**. If we do not have your response by then, ASX will likely suspend trading in SCI's securities under Listing Rule 17.3. You should note that if the

information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, SCI's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market. Your response should be sent to me by e-mail at ListingsComplianceSydney@asx.com.au. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Listing Rules 3.1 and 3.1A

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. Exceptions to this requirement are set out in Listing Rule 3.1A. In responding to this letter, you should have regard to SCI's obligations under Listing Rules 3.1 and 3.1A and also to Guidance *Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B*. It should be noted that SCI's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Trading halt

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in SCI's securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We may require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

Suspension

If you are unable to respond to this letter by the time specified above ASX will likely suspend trading in SCI's securities under Listing Rule 17.3.

Enquiries

If you have any queries or concerns about any of the above, please contact me immediately.

Kind regards

Melissa Lim
Adviser, Listings Compliance (Sydney)