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Listings Compliance (Sydney)
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EXPLORATION WORK TO COMMENCE ON 2.5KM GOLD STRIKE AT TINDERY PROJECT IN NSW

Key Highlights:

- Work to commence at the Tindery Project located in Cobar, NSW which contains a number of targets which are prospective for gold
- SCI to undertake multi-element soil sampling and regolith mapping within the project
- Tindery contains several historical gold occurrences within the margins of the Tindery Granite, including the Tindery Tank Prospect which has a 2.5km strike length of chalcedonic quartz veins
- A further 15km of prospective fault exist on the Southern portion of the tenements, an extension of the Chesney Fault System
- Au-Sb-As-Pb trace element geochemical association that is typical of lode gold and intrusion related gold
- SCI has agreed to contribute to the drilling of a water bore on EL8579 in cooperation between the landholder and CSA Cobar Operations Pty Ltd (Glencore)

Silver City Minerals Limited (ASX: **SCI**) (**Silver City** or **Company**) is undertaking a reassessment of its strategic tenement holdings in New South Wales to identify exploration opportunities, particularly for gold mineralisation.

EL8579 Tindery is located 45 km north of Cobar and covers an area of 288km². The tenement covers elements of the Cobar Basin, an Ordovician metasedimentary succession host to several significant mines (figure 1). The prospective Chesney Fault System strikes onto the southern portion of EL8579, with 15km of prospective fault on the tenure.

The Cobar Basin is intruded by a suite of Silurian aged granitoids, including the Tindery Granite. Several mineral occurrences of gold and reported historical small-scale mines and workings are reported within the Girilambone Group within proximity to the contacts of the Tindery Granite.

Historical work on the project has been limited to date. At the **Tinderra Tank** prospect, gold in chalcedonic quartz veins over a 2.5km strike has been identified, with a maximum assay of 2.1g/t Au.

At the **Golconda Prospect**, reconnaissance rock chip sampling of the mullock dumps returned assays of up to 2.5ppm Au and 130ppm As. The Golconda workings extend over an area of 400m x 250m associated with veins and shears. No drilling was undertaken. The **NW Corner Prospect** is anomalous in antimony, arsenic, copper, lead and silver.

The **Chesneys Folly** prospect is anomalous in Au to 2.1ppm in historic drilling. Limited sampling by historical explorers has defined an Au-Ag-Pb-Sb-As-Zn-Cu association in magnetic lag traverses that requires follow-up.

Orientation sampling by Silver City in 2017, over the Chesney Fault, identified As-Cu-Pb-Bi anomalism associated with sheared conglomerates of the Girilambone Group.

Exploration Program

Silver City Minerals will undertake multi-element soil sampling and regolith mapping at EL8579 Tindery in the coming months, subject to availability of field staff and any travel restrictions¹. The Company has agreed to contribute to the drilling of a water bore on EL8579 in cooperation between the landholder and CSA Cobar Operations Pty Ltd (Glencore). The hole is planned to a depth of approximately 350m. The water bore will be used for supply of water and will remain property of CSA Operations Pty Ltd.

SCI Director Mr Roland Gotthard commented, "Silver City is contributing toward the drilling of this water bore by assaying of the samples for base and precious metals. The drilling of a 350m vertical hole within the project is a rare opportunity to geochemically and geologically characterise the stratigraphy of the subsurface rocks. Information from this hole will contribute toward understanding of the project's geology and mineral potential. Silver City continues to work cooperatively with stakeholders and neighbours."

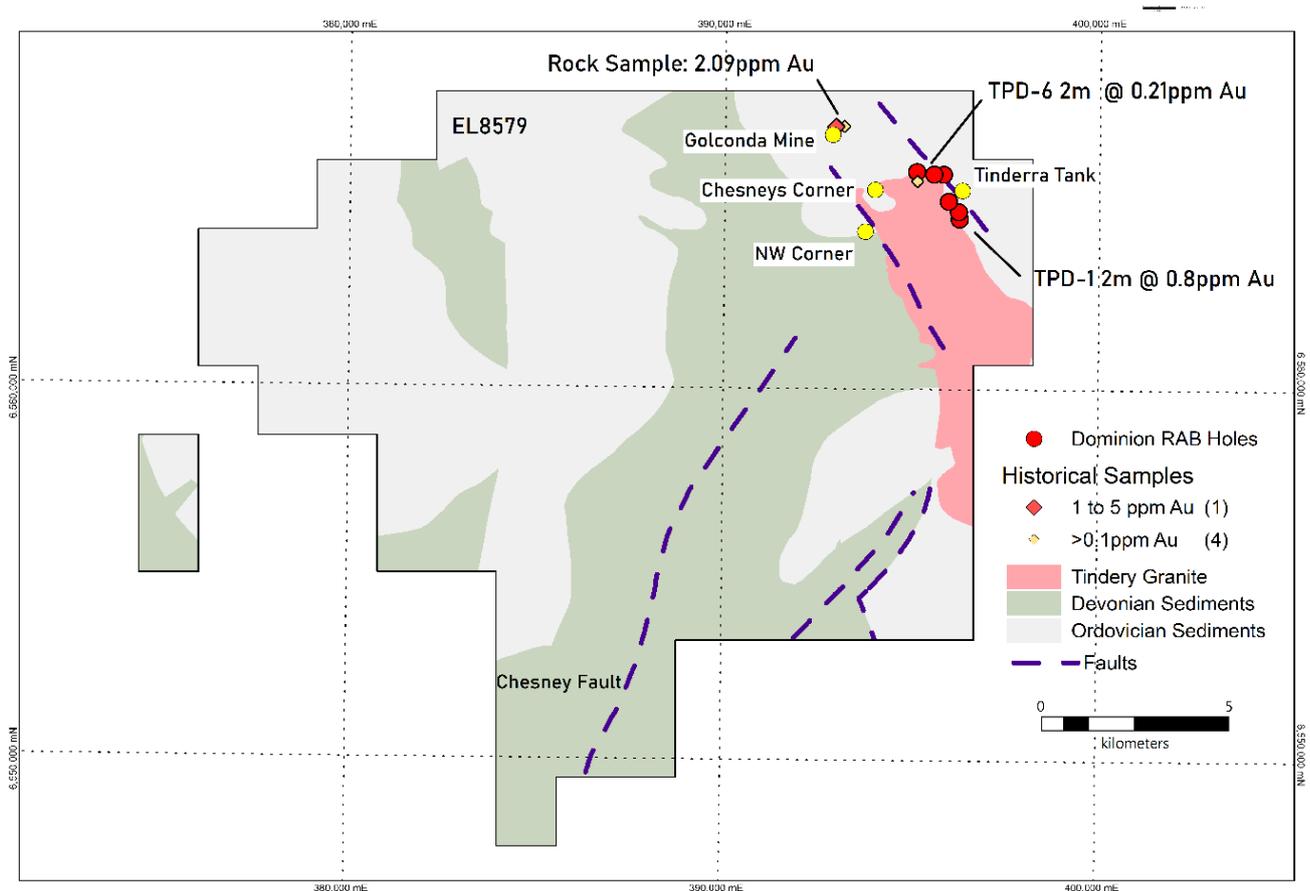


Figure 1: ELA5879 Tindery historical gold mineralisation

This announcement has been authorised by the Board of Directors of Silver City Minerals Limited.

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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 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 Licenses 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.

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.

COVID-19 IMPACT¹

The outbreak of COVID-19 is impacting global economic markets. The Directors are monitoring the situation closely and have considered the impact of COVID-19 on the Company's business. However, the situation is continually evolving, and certain consequences are therefore inevitably uncertain. In compliance with its continuous disclosure obligations, the Company will continue to update the market in regard to the impact of COVID-19 on its operations, work programs and any adverse impact on the Company. If any of these impacts appear material, the Company will notify investors through appropriate market updates.

No New Information

To the extent that this announcement contains references to prior exploration results and Mineral Resource estimates, which have been cross referenced to previous market announcements made by the Company, unless explicitly stated, no new information is contained. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements and, in the case of estimates of Mineral Resources that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

Competent Persons Statement

The information in this announcement that relates to Exploration Results is based on and fairly represents information and supporting documentation prepared by Mr Roland Gotthard. Mr Gotthard is a director of Silver City Minerals Limited and a member of the Australian Institute of Mining and Metallurgy. Mr Gotthard has sufficient experience relevant to the styles of mineralisation and types of deposits which are covered in this announcement and to the activity which they are 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' ("JORC Code"). Mr Gotthard consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

JORC Code, 2012 Edition – Table 1**Section 1 Sampling Techniques and Data**

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> Historical rock chip, stream and channel sampling is detailed in historical exploration reports. Historical drilling is detailed in historical exploration reports RAB drilling is not considered a reliable, repeatable drilling method and data is presented for completeness of understanding of historical exploration
Drilling techniques	<ul style="list-style-type: none"> Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	<ul style="list-style-type: none"> Historical drilling was by RAB drilling methods, an open hole method
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> Insufficient information is recorded in historical logs.
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> Historical drilling logs were inspected by Company personnel Historical drilling is unknown in quality and representivity

Criteria	JORC Code explanation	Commentary
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> RAB drilling was sampled by 2m composite samples Sub-sampling and preparation techniques were not recorded Historical sampling and assaying techniques are considered potentially unreliable and may not adequately represent the true grade of any mineralisation
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established. 	<ul style="list-style-type: none"> Records of historical assay methods and data is insufficient and is presented without any comment as to accuracy and precision No standards, blanks or duplicates were taken of drilling samples and therefore no reliable QA/QC data exists
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> Historical information is presented unadjusted from the results reported in the statutory reports No resampling of historical sample materials has been undertaken No adjustment to historical assay data has been undertaken No twinned holes have been drilled
Location of data points	<ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> Historical drillholes were located by NSW Geological Survey from plans and field verification and presented in the online DIGS database No effort has been made to independently verify the accuracy or completeness of DIGS locations
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. 	<ul style="list-style-type: none"> Reporting of historical exploration results is considered appropriate to the early stage exploration Historical information is insufficient to estimate a Mineral Resource or Ore Reserve
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key 	<ul style="list-style-type: none"> N/A

Criteria	JORC Code explanation	Commentary
	<i>mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i>	
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> N/A
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> N/A

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> EL8579 Tinderry The tenement is 100% owned by Silver City Minerals Limited
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> Exploration results from historical operators was sourced from the Geological Survey of NSW online DIGS database Dominion Mining drilled six RAB holes at the Tinderra Tank prospect in 1993
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	EL8579 Tinderry lies within the Cobar Basin, an Ordovician sedimentary basin intruded by Silurian granites. SCI is investigating granite-associated mineralisation linked to the Silurian Tinderry granite.
Drill hole Information	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain 	<ul style="list-style-type: none"> Drill hole data is sourced from historical exploration reports accessed from NSW MinView online database

Criteria	JORC Code explanation	Commentary
	why this is the case.	
Data aggregation methods	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> N/A
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known'). 	<ul style="list-style-type: none"> N/A
Diagrams	<ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	<ul style="list-style-type: none"> A map showing tenement locations has been included Maps showing the distribution of mineralised occurrences and anomalies has been provided
Balanced reporting	<ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> Historical results have been described in a manner consistent with historical interpretations of them, except where modified by work undertaken by the Company. Statements on reliability or otherwise of historical results are contained proximal to and in context with the historical results and interpretations It is considered unfeasible and inappropriate to report all historical results.
Other substantive exploration data	<ul style="list-style-type: none"> Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	<ul style="list-style-type: none"> N/A

Criteria	JORC Code explanation	Commentary
Further work	<ul style="list-style-type: none">• <i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i>• <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	<ul style="list-style-type: none">• Soil sampling, mapping