Rule 5.3

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

Silver City Minerals Limited

ABN	Quarter ended ("current quarter")
68 130 933 309	**30 June 2011**

Consolidated statement of cash flows

Cash flows related to operating activities				Current quarter 30 June 2011 $A'000	Year to date (12 months) 30 June 2011 $A'000
1.1	Receipts from product sales and related debtors			0	0
1.2	Payments for	(a)	exploration and evaluation	(158)	(571)
		(b)	development	0	0
		(c)	production	0	0
		(d)	administration	(118)	(385)
1.3	Dividends received			0	0
1.4	Interest and other items of a similar nature received			9	53
1.5	Interest and other costs of finance paid			0	0
1.6	Income taxes paid/received on R&D tax offset			443	443
1.7	Other		- tenement security deposits paid	0	(20)
			- tenement security deposit refunds	20	20
	Net Operating Cash Flows			196	(460)
	Cash flows related to investing activities				
1.8	Payment for purchases of:	(a)	prospects	0	0
		(b)	equity investments	0	0
		(c)	other fixed assets	(6)	(20)
1.9	Proceeds from sale of:	(a)	prospects	0	0
		(b)	equity investments	0	0
		(c)	other fixed assets	0	0
1.10	Loans to other entities			0	0
1.11	Loans repaid by other entities			0	0
1.12	Other (provide details if material)			0	0
	Net investing cash flows			(6)	(20)
1.13	Total operating and investing cash flows (carried forward)			190	(480)

		Current quarter $A'000	Year to date $A'000
1.13	Total operating and investing cash flows (brought forward)	190	(480)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc	9,814	9,814
1.15	Proceeds from sale of forfeited shares	0	0
1.16	Proceeds from borrowings	0	0
1.17	Repayment of borrowings	0	0
1.18	Dividends paid	0	0
1.19	Other - Share issue costs	(161)	(186)
	Net financing cash flows	9,653	9,628
	Net increase (decrease) in cash held	9,843	9,148
1.20	Cash at beginning of quarter/year to date	568	1,263
1.21	Exchange rate adjustments to item 1.20	0	0
1.22	**Cash at end of quarter**	10,411	10,411

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter $A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	47
1.24	Aggregate amount of loans to the parties included in item 1.10	Nil

1.25 Explanation necessary for an understanding of the transactions

Salaries and consultancy fees at normal commercial rates

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

None

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

None

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available $A'000	Amount used $A'000
3.1	Loan facilities	Nil	Nil
3.2	Credit standby arrangements	Nil	Nil

Estimated cash outflows for next quarter

		$A'000
4.1	Exploration and evaluation	500
4.2	Development	0
4.3	Production	0
4.4	Administration	250
	Total	750

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows		Current quarter $A'000	Previous quarter $A'000
5.1	Cash on hand and at bank	768	129
5.2	Deposits at call	43	43
5.3	Bank overdraft	0	0
5.4	Other - bills receivable, bank accepted and short term bank deposits	9,600	396
	Total: cash at end of quarter (item 1.22)	10,411	568

Changes in interests in mining tenements

		Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed				
6.2	Interests in mining tenements acquired or increased	EL 7749 Goblin	EL granted	0%	100%

6.3 The full Silver City schedule of tenements is included as an attachment to this report.

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total Number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	**Preference securities**	Nil			
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	Nil			
7.3	**Ordinary securities** **- fully paid SCI**	98,030,228	80,079,596		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through return of capital, buy-backs	49,067,500	49,067,500	$0.20	$0.20
7.5	**Convertible debt securities**	Nil			
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	Nil			
				Exercise price	*Expiry date*
7.7	**Options**				
	SCI 25 cents (escrowed 24mths)	1,000,000	-	$0.25	6 Apr 2012
	SCI 25 cents (escrowed 24mths)	550,000	-	$0.25	30 Jun 2012
	SCI 25 cents (escrowed 24mths)	750,000	-	$0.25	30 Nov 2012
	SCI 25 cents (escrowed 24mths)	1,000,000	-	$0.25	6 Apr 2013
	SCI 35 cents (escrowed 24mths)	3,000,000	-	$0.35	1 Jul 2013
	SCI 35 cents	1,100,000	-	$0.35	1 Jul 2013
	SCI 25 cents (escrowed 12mths)	1,100,000	-	$0.25	30 Nov 2012
	SCI 25 cents	200,000	-	$0.25	30 Jun 2013
7.8	Issued during quarter	Nil			
7.9	Exercised during quarter	Nil			
7.10	Expired during quarter	1,325,000	-	$0.25	30 June 2011
7.11	**Debentures** (totals only)	Nil			
7.12	**Unsecured notes** (totals only)	Nil			

Compliance statement

1. This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law or other standards acceptable to ASX (see note 4).

2. This statement does give a true and fair view of the matters disclosed.

Sign here: ***Chris Torrey*** Date: 26 July 2011

(Director / ~~Company Secretary~~)

Print name: Chris Torrey

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2. The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenements, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3. **Issued and quoted securities.** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4. The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.

5. **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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Tenement	Tenement No.	SCM Interest	Joint Venture Details
NEW SOUTH WALES			
Apollyon Valley	EL 6475	30%	CBH 70%, SCM can earn 75%, note 1
Aragon	EL 7300	76.5%	CBH 15%, Eaglehawk 8.5%
Big Aller	EL 6147	30%	CBH 70%, SCM can earn 75%, note 1
Bitterkeep	ELA 4125	100%	-
Chloe	EL 6542	100%	-
Copper King	EL 5919	30%	CBH 70%, SCM can earn 75%, note 1
Eldee Ck	EL 6002	30%	CBH 70%, SCM can earn 75%, note 1
Euriowie	EL 7319	92%	Eaglehawk 8%, note 1
Humungus	EL 6864	100%	Note 1
Golbin	EL 77499	100%	-
Interceptor	EL 6863	100%	Note 1
Iron Bar	EL 7203	100%	Note 1
Mt Robe	EL 5646	30%	CBH 70%, SCM can earn 75%, note 1
Mulyungarie SA	EL 4705	100%	Note 1
Mundi Mundi	EL 4657	100%	Note 1
Nightrider	EL 7228	100%	Note 1
Stephens-Centennial	EL 6132	30%	CBH 70%, SCM can earn 75%, note 1
StrawCastle	EL 7705	100%	-
Windy Hill	ELA 4104	100%	-
Woowoolahra	EL 6468	100%	-
Yanco Glen	EL 5764	30%	CBH 70%, SCM can earn 75%, note 1
Yellowstone	EL 7390	0%	Golden Cross Operations Limited 100%, SCM earning 80%
Ziggys	EL 6036	90%	Eaglehawk 10%
Golden King	MCL 13 & 14	0%	Option to purchase
Golden King	MCL 293	0%	Option to purchase

EL = Exploration Licence   ELA = Exploration Licence Application

Note 1 These tenements are subject to agreements with PlatSearch NL whereby PlatSearch holds an NSR (Net Smelter Return) interest in these tenements.