

SILVER CITY MINERALS LIMITED



ASX ANNOUNCEMENT

29 September 2011

Drilling Commences at the Maybell Silver Project, near Broken Hill, NSW

Silver City Minerals Limited (ASX:SCI) is pleased to announce that it has commenced drilling at the Maybell silver project. A program of approximately 600 metres has been planned in six reverse circulation percussion drill holes to test the extent of mineralisation encountered in an earlier SCI hole RCM5 which returned **4 metres at 608 g/t silver** from 17 metres down hole. The drilling is part of a 10,000 metre program designed to test six priority targets outlined in the Company's Prospectus from its recent successful IPO. Already this program has returned highly encouraging results from the Allendale project (ASX Release 27 September 2011) and the Company hopes for further success at Maybell.

Background

The Maybell project is located 20 kilometres north of Broken Hill. It hosts numerous historic mines in pegmatite, metasediments and amphibolites of the Broken Hill Group. Detailed geological mapping by Silver City shows that it contains lode rocks with thicknesses from less than 0.5 to 15m. Detailed portable XRF geochemistry over the area maps out these lode rocks as being anomalous in lead, zinc, copper, arsenic and manganese; important indicators for Broken Hill-type (BHT)-style mineralisation. Grab samples of lode rock returned anomalous silver.

In 2010 in an initial test, Silver City drilled eight shallow reverse circulation percussion holes. Four of these returned anomalous results (Table 1). In particular, hole RCM5 returned a high grade silver intersection over 4m from 17m. This intersection was hosted in a halo of anomalous silver between 0.5g/t and 10.1g/t from 10 to 29m (Figure 1).

The high grade silver results from this hole RCM5 are hosted in gossanous oxidised rocks, interpreted to be part of the nearby lode which dips to the northwest. Silver City considers these results to be very encouraging and this new drilling is designed to follow-up this intersection.

Hole No.	MGA East	MGA North	From	To	Metres	Silver (g/t)	Lead(%)	Zinc(%)	Cutoff
RCM1	548358	6484613	33	35	2	17	0.40	1.50	10g/t Ag
RCM3	548330	6484635	31	34	3	22	0.04	0.06	10g/t Ag
RCM4	548317	6484644	17	18	1	21	0.20	0.30	10g/t Ag
RCM 5	548324	6484750	17	21	4	608	0.26	0.02	30g/t Ag

Table 1: Significant drill hole intersections Maybell. Silver City drilling 2010.

Note: Weighted average of 1m samples collected by riffle splitter with nominal sample size 2kg. Hole RCM5 intersected high grade silver above the water table. Analytical method ALS-Global Lab Code ME-ICP 61, Ag OG62 and Ag OG62h, Zn OG62. All holes were drilled at azimuth of 128.5 degrees at an declination of -60 degrees.

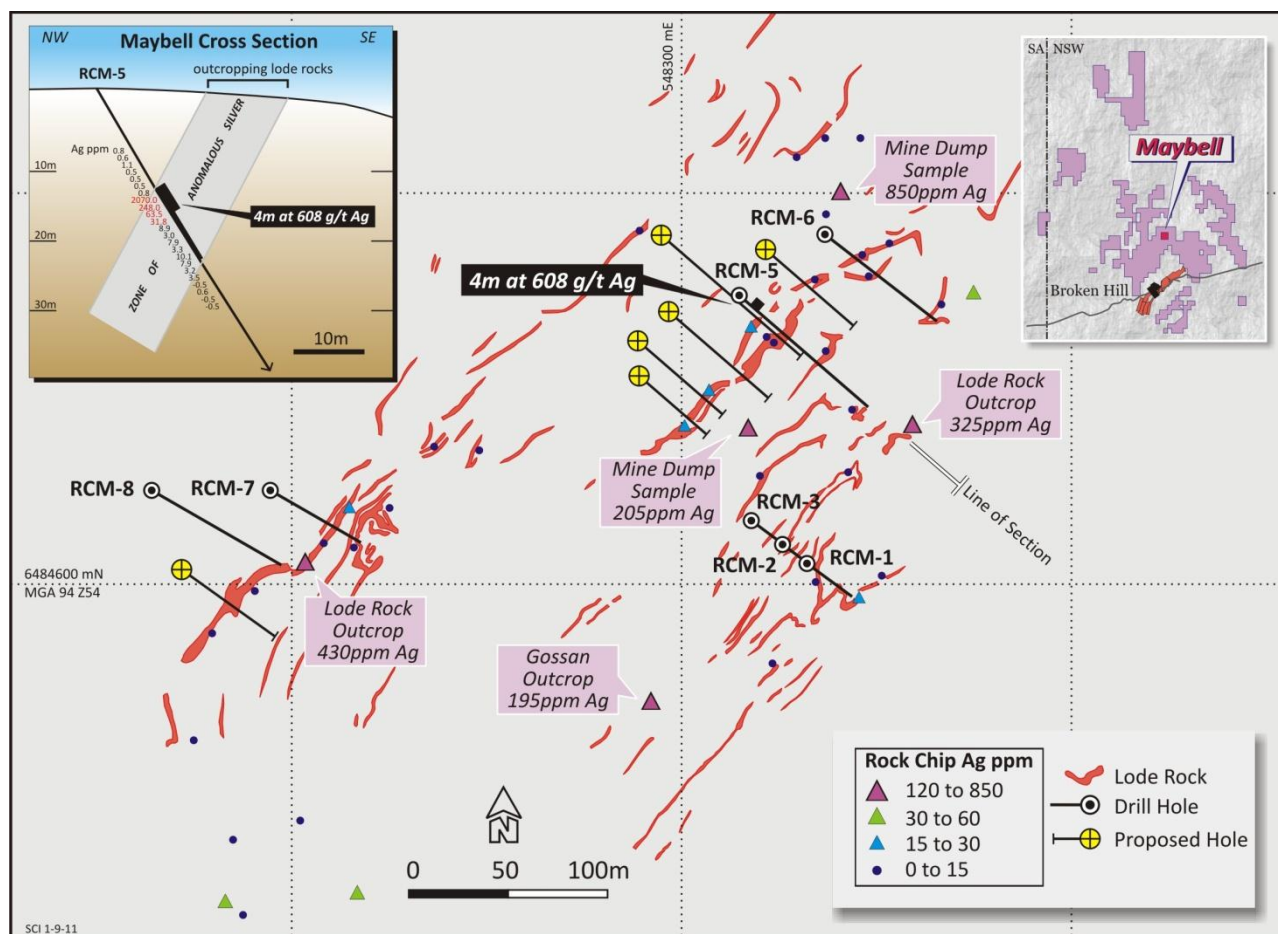


Figure 1. Maybell project showing proposed drill holes, original holes and rock chip samples containing anomalous in silver.

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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 natural 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 and Mineral Claims 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

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