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SILVER CITY MINERALS LIMITED

13 September 2021

MULTIPLE SIGNIFICANT GOLD-IN-SOIL ANAMOLIES AT SHADOW INTRUSIVE
EXTENSIVE GOLD NUGGETS AT SURFACE

Austin Gold Project Highlights

- **Preliminary soil results received for 450 samples collected at the Shadow target area, part of the Austin Gold Project and located adjacent to Musgrave Minerals Starlight discovery (ASX:MGV).**
- **Four significant gold-in-soil anomalies have been identified that trend northwest and extend for over 3kms.**
- **Prospecting close to two anomalies has also identified an extensive area of approximately 750m by 300m where gold nuggets have been found.**
- **Geological inspection of the rocks upstream of the area of observed gold nuggets indicates areas of outcropping pyrite-altered porphyry intrusive rock with assays up to 0.2 g/t Au.**
- **This high priority prospect is now called *Shadow Intrusive* and lies close to the tenement border with Musgrave Minerals and will be drilled in the current drilling program.**
- **An aircore rig has been secured for the Shadow area and will commence drilling next week.**
- **RC and diamond drilling continues at the Austin Gold Project with circa 3,000m drilled to date.**

Silver City Minerals Limited (ASX: **SCI**) is pleased to announce preliminary soil results from the Austin Gold Project, located in the highly prospective Murchison greenstone province of Western Australia. The Austin Gold Project is located directly adjacent to the Cue Gold Project owned by Musgrave Minerals Limited (ASX:MGV), which includes the high grade Break of Day Deposit and Starlight discovery.

Austin Gold Project

Shadow Target Area

Soil sampling commenced on the project occurred in June and August where a total of 450 samples were successfully taken in the northern part of the Shadow target area before work ceased due to commitments on the current drill program. The soil sampling was conducted at 100 m spacing across lines spaced 200m and 400m apart and subject to the ultra-fine fraction (-53 micron) soil sampling assay technique for extremely low-level gold and multi-elements designed specifically to detect subtle anomalies even where deeper soil cover may be present.

The results of the survey are extremely encouraging and the initial review has highlighted four areas of strongly elevated gold-in-soil (Figure 1). The northern anomaly trends northwest and extends for at least 1,000m with elevated gold-in-soil values in excess of 4 ppb and up to 18 ppb Au and is open to the south and east.

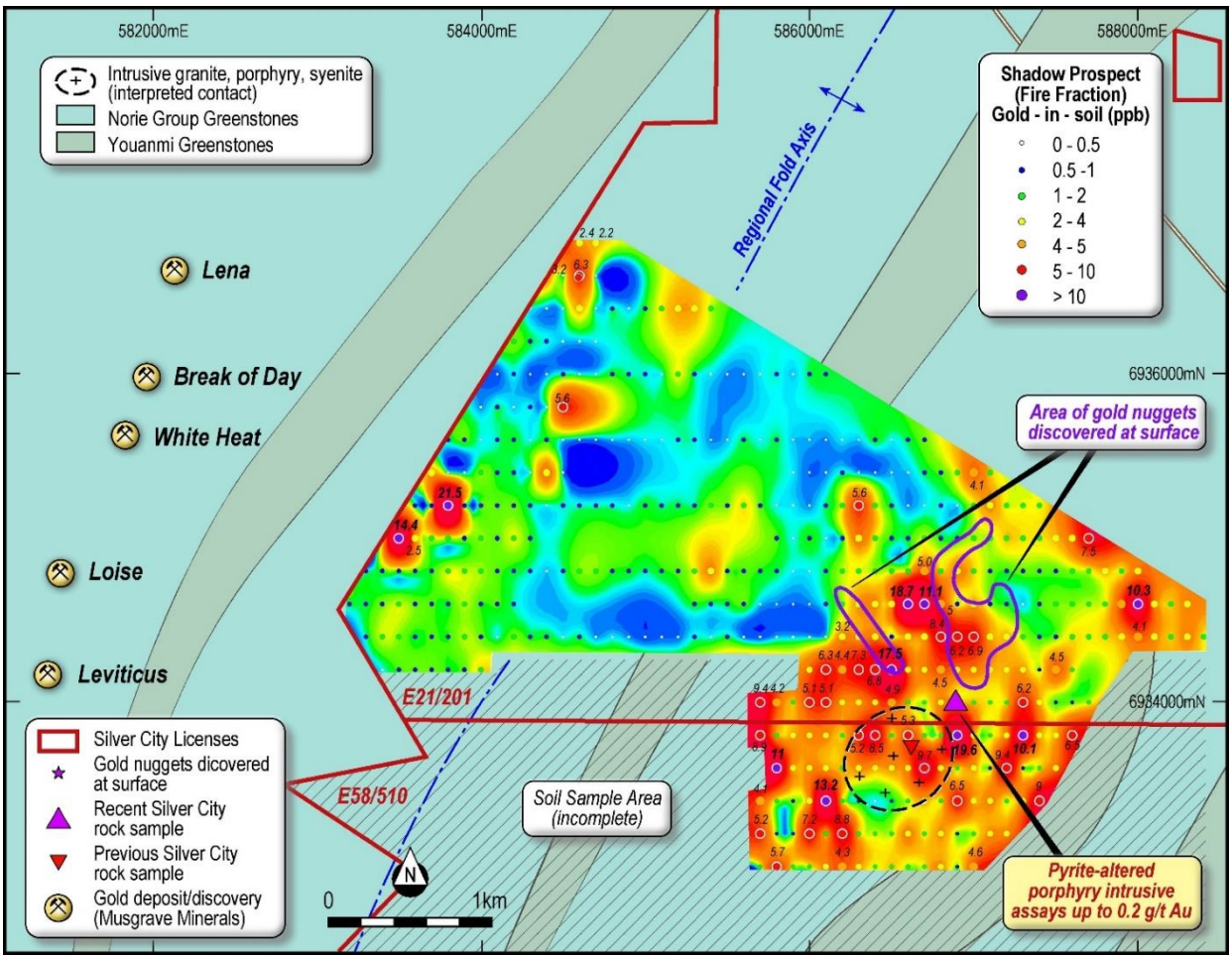

Figure 1: Gridded gold-in-soil results in the northern part of the Shadow target area in relation to Musgrave Minerals deposits. Interpreted regional geology is also illustrated as well as the location of the area of gold nuggets and mineralised intrusive rocks identified by Silver City.

A number of reconnaissance surface sampling programs have also been conducted in the same area. Prospecting by the Silver City team has revealed extensive gold nuggets recovered over an area of approximately 750m and up to 300m, particularly in the northern area of soil anomalism (Figure 1). Some nuggets are angular and often occur within quartz veins indicating a bedrock source may be nearby (Figure 2).

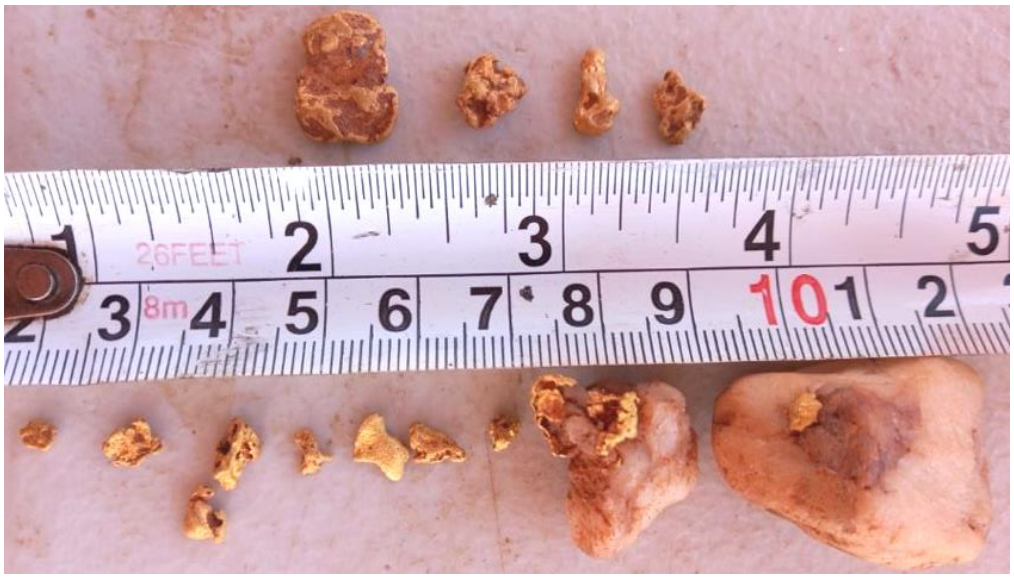

Figure 2: Photograph of several gold nuggets recovered from the shadow prospect area.

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Field work by Silver City geologists 200 m south (and upstream) of the area where nuggets were recovered has revealed outcrops of 0.5-2m wide silicified, feldspar-biotite porphyry dykes that were visually mineralised in places with fine-grained gossanous sulphides (Figure 3). Assays of these rocks returned results of up to **0.19 g/t Au** and **0.18 g/t Au** (Table 1).

Figure 3: Photograph of granitic porphyry and quartz vein samples with course weathered pyrite.

At least three other northwest-trending gold-in-soil anomalies over 5 ppb Au and up to 20 ppb Au are observed in the data (Figure 1). Many of these anomalies occur across and surround a partly outcropping granite intrusive that has been observed in the field by Silver City. Silver City previously identified a highly altered granite with thin quartz veins (SCI Announcement 7 April 2021) that returned highly anomalous gold (0.03 g/t Au) and associated pathfinder metals (0.12 g/t silver and 2.6 bismuth) which is located 450m to the southeast of the porphyry dykes indicating a very large area of alteration (Figure 1).

The newly discovered outcrops of gold-bearing, pyrite-altered porphyry intrusive rock are highly encouraging and indicate one of the possible source rocks for the recovered gold nuggets. The area of extensive gold-in-soil anomalies indicate this prospect area, now called *Shadow Intrusive,* is a high priority area for further work by Silver City and is targeted for drilling in the current program underway by the Company.

The current drilling program is well underway at Austin with a diamond and an RC rig in operation and an aircore rig also scheduled to arrive in the coming weeks to conduct drilling at Shadow due to the extensive soil cover across the target area.

Table 1: Shadow rock sample assay results

Sample_ID	Zone	MGA_E	MGA_N	Description	Au g/t
SAS042	50	586892	6934040	Mineralised feldspar-biotite porphyry	0.06
SAS043	50	586894	6934042	Mineralised feldspar-biotite porphyry	0.18
SAS044	50	586896	6934044	Mineralised feldspar-biotite porphyry	0.01
SAS045	50	586898	6934046	Mineralised feldspar-biotite porphyry	0.19

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

-ENDS-

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ABOUT Silver City Minerals Limited

Silver City Minerals Limited (SCI) is a base and precious metals explorer focused on the prolific mining districts of Broken Hill, the Cobar Basin and the Lachlan Fold Belt of New South Wales, Australia. Silver City's flagship Austin Gold Project is located in the highly prospective Murchison greenstone province of Western Australia, directly adjacent to the Cue Gold Project owned by Musgrave Minerals Limited (ASX:MGV), which includes the high grade Break of Day Deposit and Starlight discovery. The Company has also secured a significant ground holding of the Tallering Greenstone belt in the prolific Murchison gold mining region of Western Australia located 150 km south of the Golden Grove deposit.

CAUTION REGARDING FORWARD LOOKING STATEMENTS

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 include, but are not limited to, statements preceded by words such as "planned", "expected", "projected", "estimated", "may", "scheduled", "intends", "anticipates", "believes", "potential", "predict", "foresee", "proposed", "aim", "target", "opportunity", "could", "nominal", "conceptual" and similar expressions. 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. So, there can be no assurance that actual outcomes will not materially differ from these forward-looking statements. Forward looking statements in this document are based on Silver City's beliefs, opinions and estimates of Silver City 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.

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 Leo Horn, a Competent Person. Mr Horn is a Director of Silver City Minerals and a member of the Australian Institute of Geoscientists. Mr Horn 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 Horn consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

Appendix 1: The following tables are provided to ensure compliance with the JORC Code (2012) requirements for the reporting of the Austin Gold Project

Section 1: Sampling Techniques and Data

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

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg 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 (eg '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*	• Rock sampling by Silver City is mainly outcrop rock samples, however in the absence of outcrop some float samples have been taken that are interpreted to be sourced close to outcrop. All sample types and descriptions were carefully recorded by the geologist. • Ultrafine soil sampling by Silver City was conducted from a 30-40cm cleared area to a depth of approximately 25cm. The sample was dry sieved to collect 200-300 grams of -2mm. Two field duplicates were taken every 100 samples.

Criteria	JORC Code explanation	Commentary
	or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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).*	• Not applicable, Silver City notes that the drilling program is currently underway and will be reported when results are received.
Drill sample recovery	• *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.*	• Not applicable, Silver City notes that the drilling program is currently underway and will be reported when results are received..
Logging	• *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.*	• Geological descriptions were recorded by Silver City for each rock sample.

Criteria	JORC Code explanation	Commentary
Sub-sampling techniques and sample preparation	• *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.*	• Not applicable for reporting soil and rock results.
Quality of assay data and laboratory tests	• *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 (eg standards, blanks, duplicates, external laboratory checks) and whether*	• All rock samples by Silver City were assayed by fire assay for gold utilizing a 50 gram charge in Perth. The fire assay methods is considered total. The assay techniques are considered appropriate for the mineralisation style. • Ultrafine soil samples by Trek were sieved to -53 micron at ALS Laboratories and run for gold plus a 43 multi-element package by aqua regia digestion for acid extractable gold (25 gram charge).

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	acceptable levels of accuracy (ie lack of bias) and precision have been established.	
Criteria	**JORC Code explanation**	**Commentary**
Verification of sampling and assaying	• *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.*	• Not applicable, no drilling reported in this release.
Location of data points	• *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.*	• Location of rock and soil samples by Silver City were recorded using a handheld GPS which is considered appropriate for reconnaissance sampling.
Data spacing and distribution	• *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.*	• Rock samples were taken at selected outcrops and historic prospect areas and gold occurrences. • Soil sampling was conducted at 100 m spacing with east-west oriented lines spaced 200m apart. Area of deep cover were covered with lines spaced 400m apart.
Orientation of data in relation to geological structure	• *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 mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Reconnaissance rock sampling by Silver City was taken where outcrops are available. The orientation of mineralised structures have not yet been properly defined. • Soil sampling was conducted on east west grid on the assumption that structures are oriented primarily northwest based on the airborne magnetic images
Sample security	• *The measures taken to ensure sample security.*	• No details of sample security were reported.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews have been undertaken.

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	• *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*	• The Austin Project, located 45 km north of Mt Magnet, comprises one granted mining license M21/154, three granted exploration licenses E58/510, E58/543 and E21/201 and one granted prospecting license P21/716 that are currently held by Gardner Mining Pty Ltd. Silver City Minerals

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Criteria	JORC Code explanation	Commentary
	reporting along with any known impediments to obtaining a license to operate in the area.	has exercised an option to purchase 80% of the Austin Project licenses. • Silver City is not aware of any Native Title on the Austin Project.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Refer Silver City Minerals Announcements - 7 April 2021, 12 April 2021, 15 April 2021, 19 April 2021, 27 April 2021, 5 May 2021, 26 July 2021, 5 August 2021 and 23 August 2021.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The geology comprises typical Archean Yilgarn greenstone belt lithologies and granitic intrusives. The mineralisation style is typical Archean orogenic-style lode gold deposits that are strongly structurally controlled. Mineralisation style on the project is interpreted to be similar to the mineralisation at the Break of Day group of deposits including the Starlight discovery (Musgrave Minerals) and also the Great Fingall gold deposit near Cue.
Drill hole Information	• *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:* ○ *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 why this is the case.*	• A summary table of rock sample information is included in the body of the announcement
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg 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.*	• Not applicable for reporting of soil sampling results.
Relationship between mineralisation widths and	• *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*	• Not applicable for reporting of soil sampling results.

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Criteria	JORC Code explanation	Commentary
intercept lengths	*clear statement to this effect (eg 'down hole length, true width not known').*	
Diagrams	• *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.*	• See relevant maps in the body of this announcement.
Balanced reporting	• *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.*	• All available data has been presented in figures.
Other substantive exploration data	• *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.*	• Exploration data for the project continues to be reviewed and assessed and new information will be reported if material.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Further work is detailed in the body of the announcement.

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