



excelsiorgold
LIMITED

20 November 2015

ASX Market Announcements
ASX Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000



ASX Code: EXG

COMMENCEMENT OF MINING

Excelsior Gold Limited (“Excelsior Gold” or the “Company”) is pleased to announce that open pit mining has commenced at the Kalgoorlie North Gold Project.

Following the award of the open pit mining contract to Hampton Transport Services Pty Ltd (“Hampton”) on 9 November 2015, Hampton immediately commenced mobilisation of the earthmoving fleet from Kalgoorlie and initiated clearing of vegetation and removal of topsoil from the Castlereagh open pit area (*Figure 1*), the first of the open pits to be mined.

The clearing operations have been carried out in tandem with the establishment of site infrastructure including site offices (*Figure 2*) and contractor workshop areas.

The Castlereagh open pit, together with Jackorite, Big Blow South and the large Zoroastrian Central open pit, will provide 1.36 million tonnes of ore grading 2.00g/t Au for treatment at the Paddington Mill over the next 18 months under Excelsior Gold’s initial base case mining plan (*ASX announcement 4 September 2015*). The Base Case production schedule incorporates both open pit and underground mining operations which are capable of supplying ore feed to the Paddington Mill for at least seven years at the contracted throughput rate of 500,000 to 650,000 tonnes per annum under the Ore Treatment agreement with Norton Gold Fields Limited (*ASX announcement 13 October 2015*).

With mining now in progress and the operations team in place, the Company will be reviewing options to develop additional open pits at Parkerville, Big Blow North and Nerrin Nerrin which are all in close proximity to the Castlereagh operations. The Base Case schedule sources ore from only five of the current 22 mineral resources defined to date and conversion of additional resources to ore reserves will significantly extend the project life.

Clearing and construction of the 20 kilometre haul road connecting Excelsior Gold’s open pit deposits to the Paddington Mill is well advanced (*Figure 3*). McAleese Resource Pty Ltd were awarded the contract for the haul road construction in late October 2015 and McAleese will also be responsible for haulage of the Excelsior Gold’s ores to the Paddington Mill which will commence in December 2015.

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Figure 1: Start of mining at the Castlereagh open pit.



Figure 2: Site office set-up in progress.

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Figure 3: Haul road clearing completed in preparation for road construction.

For further information visit www.excelsiorgold.com.au or contact

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