



## QUARTERLY ACTIVITY REPORT TO 30 JUNE 2014

### HIGHLIGHTS

#### DEFLECTOR

- New Management commences “Mine Operators Review” of the Deflector Definitive Feasibility Study completed in 2013

#### EXPLORATION

- New exploration discovery in the Deflector Corridor at Mary Celeste
- Company commences exploration “Target Priority Review” at the Gullewa Gold Project

#### CORPORATE

- The company has \$3.1M in cash at 30 June 2014
- Anthony (Tony) James was appointed to the role of Managing Director

#### JUNE QUARTER OVERVIEW

##### DEFLECTOR

During the June quarter the Company under new management commenced a “Mine Operators Review” of the “Updated Definitive Feasibility Study of the Deflector Gold-Copper Project” completed in September 2013.

The review will focus on the practical execution of the project and any additional risk mitigation requirements associated with the project. This work will include:

- Geological and geotechnical confirmation of the ore mineralogy and rock properties in relation to the resource modeling and mine design process. This will include practical mining widths and sequences.
- Revised optimisation taking into account the interaction between the open pit and the underground parts of the mine.



- Completion of a revised ore delivery schedule to the processing facility based on the revised mine plan. Review the processing facility and surface infrastructure requirements associated with any changes to the ore delivery schedule and material type.
- Revise the project's financial outcomes including cash flow, margin, and capital and operating costs in 2014 market conditions.
- Present the outcomes and ongoing work plan associated with this review to stakeholders.

## **EXPLORATION**

During the quarter Mutiny completed its drilling program announced on the 24<sup>th</sup> March 2014. The drilling was achieved over 2 separate periods interrupted by poor weather conditions in May. A total of 5,088 metres of reverse-circulation (RC) drilling has been completed. The completed drilling includes 917 metres of near surface SAM target drilling at Mary Celeste. 762 metres of near surface SAM target drilling at Deflector South. 2,364 metres of near surface drilling associated with the pit location central and contact lodes. And 1,045 metres of RC pre-collars in preparation for diamond drilling deeper Deflector targets. Figure 2 below shows the plan location of the drilling completed at Deflector South and Mary Celeste. Figure 3 below shows the plan location of Mary Celeste in relation to the Deflector Mineral Resource and other nearby prospects.

Along with detailed structural mapping, Sub Audio Magnetics (SAM) has been used as an effective geophysical exploration tool under thick transported cover identifying deeper weathering profiles associated with prospective geological host structures. The RC drilling programme at Mary Celeste and Deflector South has confirmed its effectiveness at Gullewa for early stage exploration targeting.

### **Mary Celeste**

On the 5<sup>th</sup> of June 2014, Mutiny announced exploration success at the Mary Celeste prospect at its 100% owned Gullewa project, located 450km north of Perth in Western Australia.

**The highlights in the announcement were,**

- **Discovery of gold/copper mineralisation at Mary Celeste associated with preliminary RC drilling of Sub-audio magnetic (SAM) targets, including**
  - **2m @ 1.23g/t Au & 295 ppm Cu from 39m**
  - **3m @ 0.11 g/t Au & 868 ppm Cu from 63m (to End Of Hole)**
- **Near surface gold mineralisation at Deflector South including**
  - **1m @ 1.29g/t Au from 35m**
- **Confirmation by drilling of the location of geological structural targets under cover at Mary Celeste and Deflector South prospects previously identified by SAM techniques**



The new mineralisation is located approximately 750m to the south of the existing 591,000 oz Au, 27,000 t Cu, and 628,000 oz Ag Deflector mineral resource (Table 3). 917m of near surface RC drilling was completed to validate the SAM defined target structures and test if the structures are mineralised. Significantly the drill defined structures are within 10 metres of the SAM defined conductors. At Mary Celeste a total of 15 holes were drilled across parallel SAM structures in 4 sections. Drill hole 14DEFRC049 intercepted the structure near the edge of the SAM survey and returned an intercept of 2m @ 1.23g/t Au & 295 ppm Cu from 39 metres. Drill hole 14DEFRC057 intercepted anomalous copper grades (3m @ 868 ppm Cu from 63 metres) at the end of the hole near the southern limit of the SAM survey directly under the SAM conductor. Further SAM surveying is required at Mary Celeste as part of the follow up work associated with this discovery. Figure 1(a) and 1(b) below shows cross sections 18,000mN and 17,840mN drilled at Mary Celeste.

**Figure 1(a) – Mary Celeste cross section 18,000mN**

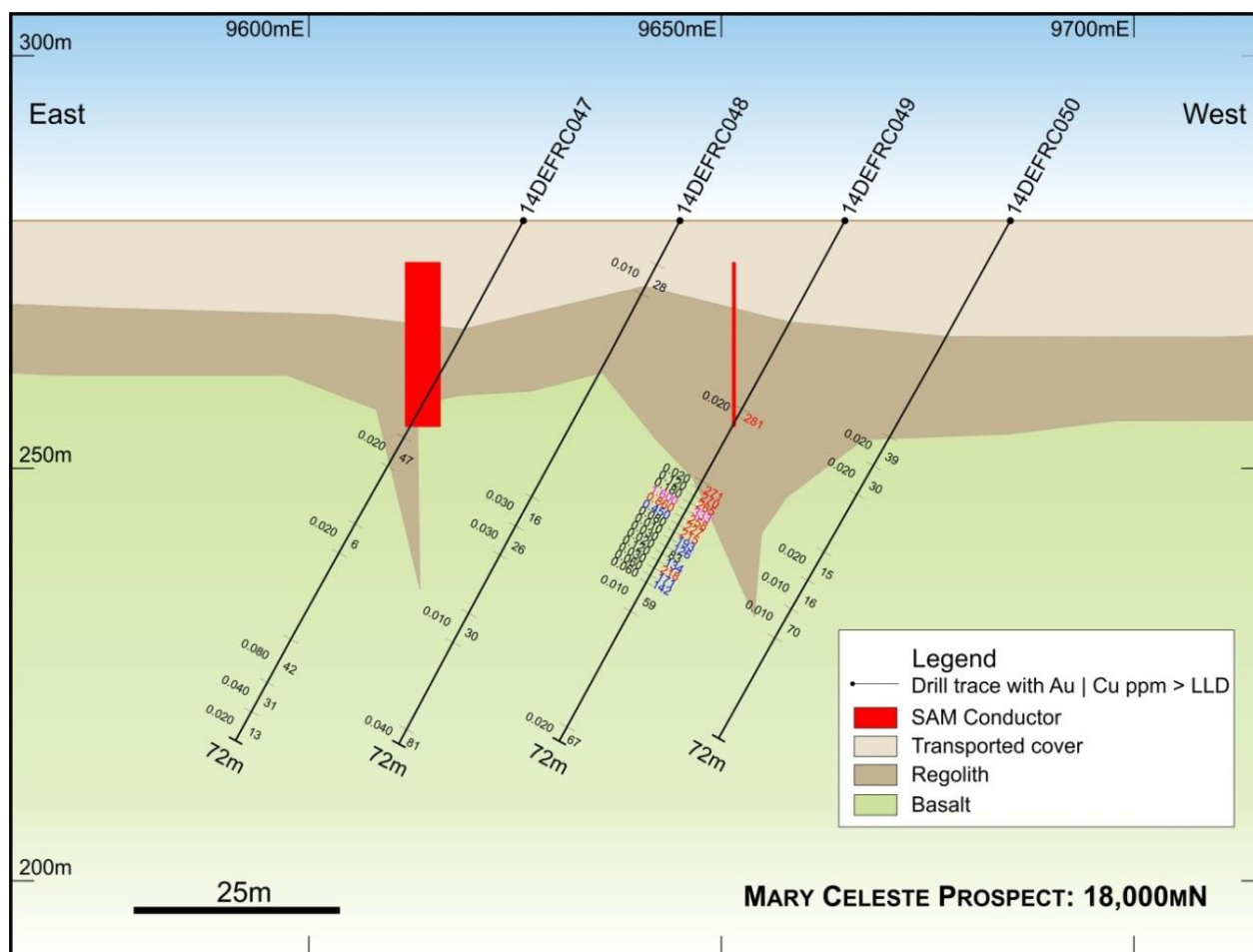




Figure 1(b) – Mary Celeste cross section 17,840mN

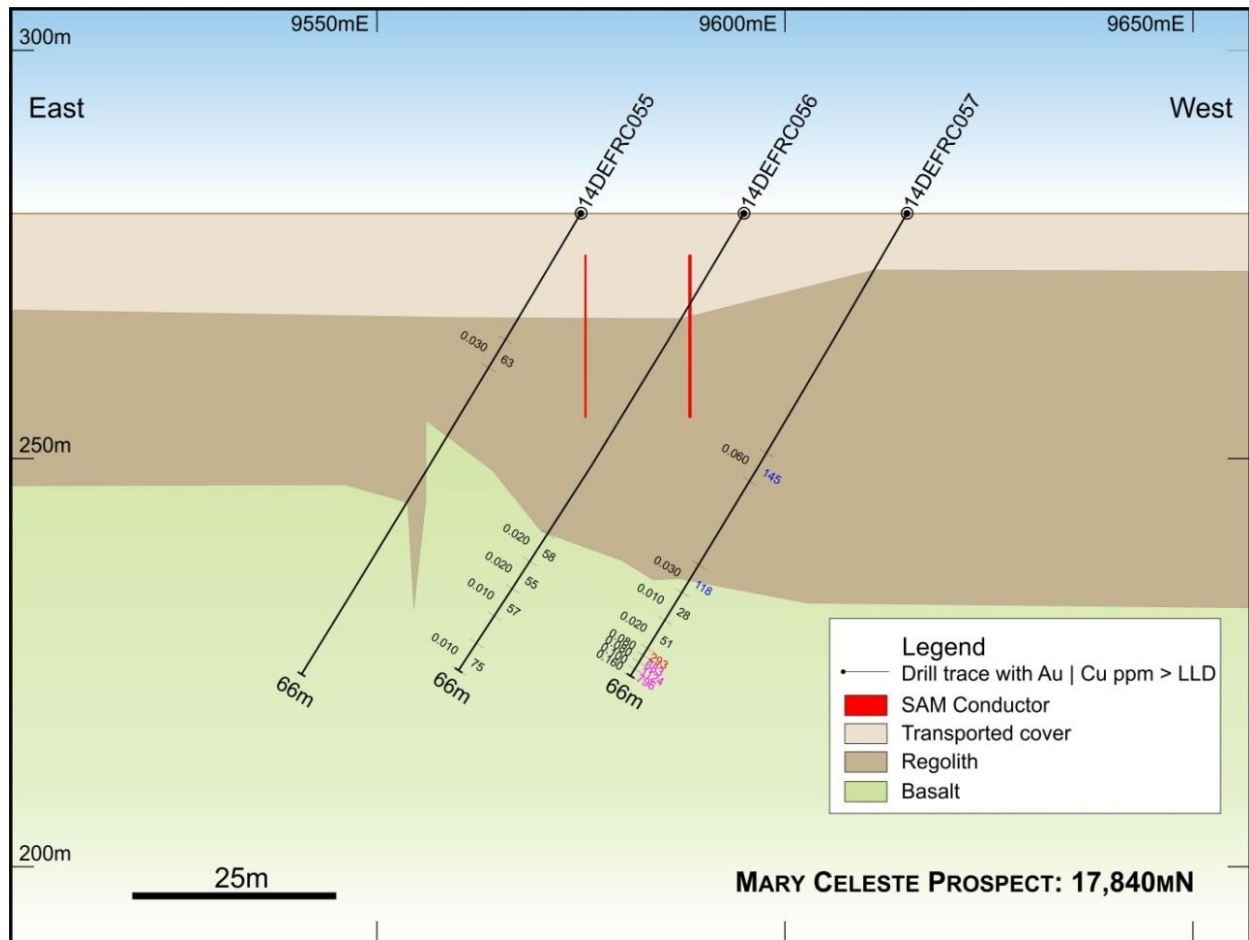
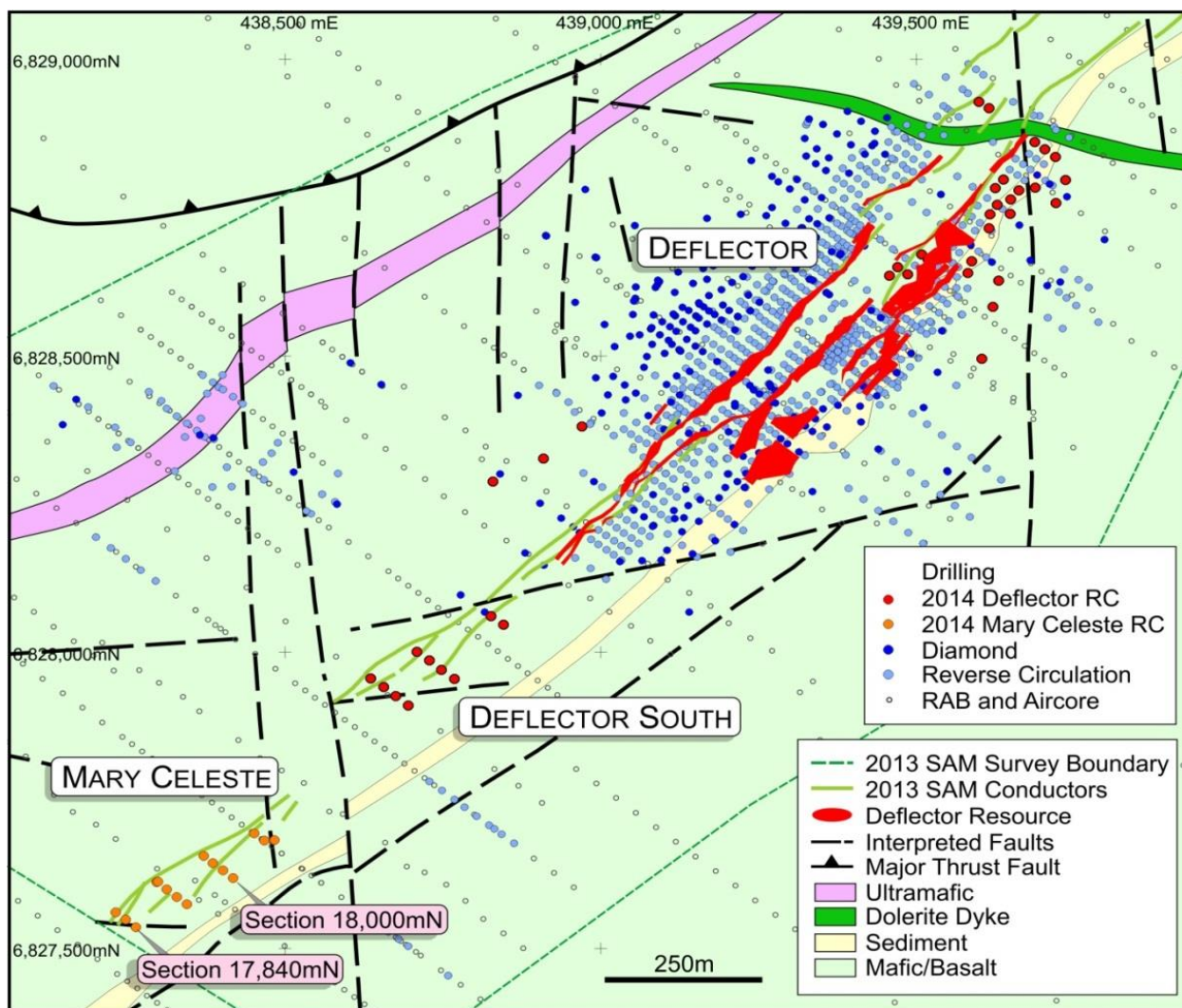


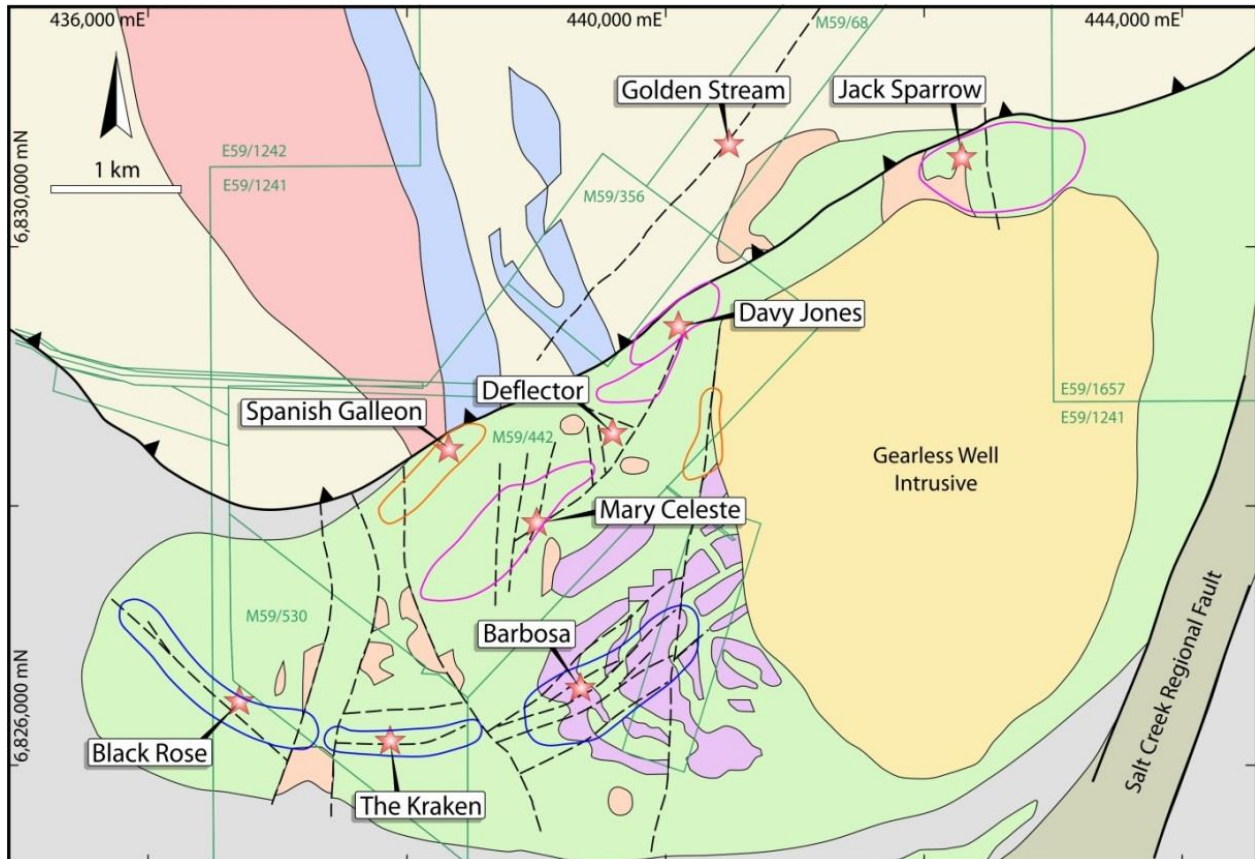


Figure 2 - Plan view of the Mary Celeste and Deflector South drill hole locations and section locations





**Figure 3 - Plan view of the Mary Celeste location in relation to the Deflector Mineral Resource and other nearby prospects.**



**Deflector South**

Located directly to the south of the Deflector ore body, 762m of near surface RC drilling was completed to validate the SAM defined potential southern extension to the Deflector ore body near the surface. A total of 10 holes were drilled across parallel SAM structures. Drill hole No 14DEFRC036 has confirmed the Deflector style structure continues to the south of the Deflector mineral resource and returned an intercept of 1m @ 1.29g/t Au from 35m.

**Pit location, Central and Contact lodes**

Located within the pit layout associated with the updated 2013 DFS (ASX: 02/09/2013), 2,364m of near surface RC drilling has been completed in an area seen to have limited information for design purposes. This drilling associated with the Pit location, Central and Contact lodes were awaiting assays at quarter end.

**Diamond drilling pre collars**

Located adjacent to the deflector ore body, 1,045m of RC pre collars were completed in preparation for diamond drilling. These deeper diamond drill holes have been designed to test the Deflector ore body at depth and specifically explore the potential southern plunge aspect to Deflector. This drilling associated with the RC pre collars were awaiting assays at quarter end.

**CORPORATE**

- As of the 30 June 2014, the Company had cash reserves of approximately \$3.1 million.
- Shares on issue are 678,227,617.
- During the June quarter, Mr Anthony (Tony) James assumed the role as Managing director replacing acting CEO Mr Rowan Johnston. Mr Johnston became the Director of Operations.
- On the 15<sup>th</sup> of May Mutiny Managing Director Mr Tony James presented at Sydney's RIU Resources Round-Up. A copy of this presentation can be found on our website [www.mutinygold.com.au](http://www.mutinygold.com.au).



## TENEMENTS HELD AS AT THE END OF THE JUNE 2014 QUARTER

| TENEMENT                      | LOCATION                            | MUTINY GROUP'S INTEREST |
|-------------------------------|-------------------------------------|-------------------------|
| <b>White Well Tenements:</b>  | <b>Tuckabianna region of WA</b>     |                         |
| M20/054                       |                                     | 70%                     |
| P20/2190                      |                                     | 70%                     |
| <b>Widgie South Tenement:</b> | <b>Widgiemooltha region of WA</b>   |                         |
| E15/1025                      |                                     | 100%                    |
| <b>Gullewa Tenements:</b>     | <b>South Murchison region of WA</b> |                         |
| E59/1134                      |                                     | 100%                    |
| E59/1240                      |                                     | 100%                    |
| E59/1241                      |                                     | 100%                    |
| E59/1242                      |                                     | 100%                    |
| E59/1274                      |                                     | 100%                    |
| M59/049                       |                                     | 100%                    |
| M59/068                       |                                     | 100%                    |
| M59/132                       |                                     | 100%                    |
| M59/133                       |                                     | 100%                    |
| M59/224                       |                                     | 100%                    |
| M59/294                       |                                     | 100%                    |
| M59/335                       |                                     | 100%                    |
| M59/336                       |                                     | 100%                    |
| M59/356                       |                                     | 100%                    |
| M59/391                       |                                     | 100%                    |
| M59/392                       |                                     | 100%                    |
| M59/442                       |                                     | 100%                    |
| M59/507                       |                                     | 100%                    |
| M59/522                       |                                     | 100%                    |
| M59/530                       |                                     | 100%                    |
| M59/531                       |                                     | 100%                    |
| P59/1737                      |                                     | 100%                    |
| L59/035                       |                                     | 100%                    |
| L59/049                       |                                     | 100%                    |
| L59/050                       |                                     | 100%                    |
| L59/070                       |                                     | 100%                    |
| L59/071                       |                                     | 100%                    |
| L59/118                       |                                     | Pending                 |
| L59/064                       |                                     | 100%                    |

There were no tenement acquisitions or disposals during the June 2014 quarter.

There was no change in percentage of beneficial ownership under the farm-in agreement during the June 2014 quarter.



END

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**Forward Looking Statements**

*All statements other than statements of historical fact included in this announcement including, without limitation, statements regarding future plans and objectives of Mutiny Gold Limited (Mutiny) are forward-looking statements. When used in this announcement, forward-looking statements can be identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects' or 'intends' and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this announcement, are expected to take place. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the company, its directors and management of Mutiny that could cause Mutiny's actual results to differ materially from the results expressed or anticipated in these statements. The company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this announcement will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements. Mutiny does not undertake to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this announcement, except where required by applicable law and stock exchange listing requirements.*



Table 1 – Significant Intercepts by target area

| Southern SAM (Mary Celeste) Significant Intercepts |            |          |                    |                     |          |        |      |
|--|------------|----------|--------------------|---------------------|----------|--------|------|
| Hole ID  | Depth From | Depth To | Interval width (m) | Est. True Width (m) | Au (g/t) | Cu ppm | Cu%  |
| 14DEFRC045   | 24         | 25       | 1                  | 0.5                 | 0.80     | NSA    | NSA  |
| 14DEFRC049   | 39         | 41       | 2                  | 1                   | 1.23     | 295    | 0.03 |
| 14DEFRC057   | 63         | 66       | 3                  | 1.5                 | 0.11     | 868    | 0.09 |

0.5 g/t or 500ppm Cu cut-off, minimum 1 metre mineralised intersection  
 Assays are one metre samples, selected from original 4 metre composites  
 Copper were assayed is the 4 metre composite indicated >500ppm Cu

| Southern SAM (Mary Celeste) Significant Intercepts |            |          |                    |                     |          |        |     |
|--|------------|----------|--------------------|---------------------|----------|--------|-----|
| Hole ID  | Depth From | Depth To | Interval width (m) | Est. True Width (m) | Au (g/t) | Cu ppm | Cu% |
| 14DEFRC036   | 35         | 36       | 1                  | 0.5                 | 1.29     | NSA    | NSA |
| 14DEFRC036   | 40         | 42       | 2                  | 1                   | 0.70     | NSA    | NSA |

0.5 g/t or 500ppm Cu cut-off, minimum 1 metre mineralised intersection  
 Assays are one metre samples, selected from original 4 metre composites  
 Copper were assayed is the 4 metre composite indicated >500ppm Cu

Table 2 – Summary of drilling statistics by target area

| Drill Target Area         | #DH       | Metres       | Min | Max |
|---------------------------|-----------|--------------|-----|-----|
| Deflector South           | 10        | 762          | 72  | 102 |
| Mary Celeste              | 15        | 917          | 20  | 78  |
| Central/Contact Lode      | 24        | 2,364        | 30  | 244 |
| Deflector (DD pre-collar) | 6         | 1,045        | 188 | 220 |
| <b>Total</b>              | <b>55</b> | <b>5,088</b> |     |     |

**Competent Persons Statement:**

The Geological aspects in this report which relates to Exploration Results are based upon information compiled by Mr. Nicholas Jolly, Geology Manager, Mutiny Gold Ltd. and who was a full-time employee of the company. Mr Jolly is a member of the Australasian Institute of Mining and Metallurgy and has sufficient expertise and experience which is relevant to the style of mineralisation and to the type of deposit under consideration 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". Mr Jolly consents to the inclusion in the report of the matters based on his information in the form and context in which they appear.



Table 3 - Deflector Deposit Mineral Resources

| Deflector Mineral Resource Statement – ASX release 26 November 2012 |                  |             |                |            |               |             |                |
|---|------------------|-------------|----------------|------------|---------------|-------------|----------------|
| Classification  | Tonnes           | Au<br>(g/t) | Au<br>(oz)     | Cu<br>(%)  | Cu<br>(t)     | Ag<br>(g/t) | Ag<br>(oz)     |
| Measured  | 1,164,000        | 6.0         | 223,000        | 1.5        | 17,000        | 10.9        | 407,000        |
| Indicated   | 1,043,000        | 7.3         | 246,000        | 0.6        | 7,000         | 4.2         | 140,000        |
| <b>Measured &amp; Indicated</b>                                     | <b>2,207,000</b> | <b>6.6</b>  | <b>468,000</b> | <b>1.1</b> | <b>24,000</b> | <b>7.7</b>  | <b>547,000</b> |
| Inferred  | 658,000          | 5.8         | 122,000        | 0.5        | 3,000         | 3.9         | 82,000         |
| <b>Totals</b>   | <b>2,865,000</b> | <b>6.4</b>  | <b>591,000</b> | <b>0.9</b> | <b>27,000</b> | <b>6.8</b>  | <b>628,000</b> |

**Competent Persons Statement:**

The Geological aspects in this report which relates to Deflector Mineral Resource are based upon information compiled by Mr. Lynn Widenbar of Widenbar and Associates. Mr Widenbar is a member of the Australasian Institute of Mining and Metallurgy and has sufficient expertise and experience which is relevant to the style of mineralisation and to the type of deposit under consideration 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". Mr Widenbar consents to the inclusion in the report of the matters based on his information in the form and context in which they appear.