27th August 2014

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

ASX Code: EXG

Exploration and Resource Drilling Update

Bulletin South

- **Drilling confirms new geological interpretation below existing PFS open pit and significantly enhances exploration upside**
  - **19 metres @ 5.94g/t Au from 77 metres including 8 metres @ 12.7g/t Au from 78 metres** *(KNC140014),*
  - **16 metres @ 1.96g/t Au from 94 metres** *(KNC14010015)*

Zoroastrian

- **Infill and extensional drilling on Dalby and Beckett flat lodes confirms geological interpretation and promotes upgrade of Inferred Resources (317kt @ 6.38g/t Au for 65,000oz at a 3g/t Au lower cut)**
  - **1 metre @ 8.08g/t Au from 163 metres** *(KNC140008 - hole abandoned before reaching target depth)*
  - **6 metres @ 3.29g/t Au from 232 metres** *(KNC140009)*
  - **4 metres @ 2.84g/t Au from 198 metres** *(KNC140010)*

Zoroastrian South

- **150 metres step out south of southernmost drilling at Zoroastrian successfully intersects carbonate and sulphide alteration and anomalous gold values, including**
  - **1 metre @ 3.88g/t Au from 54 metres** *(KNC140004)*

Reverse circulation drilling re-commenced on 25 August.

Excelsior Gold Limited (the "Company") is pleased to advise that results from the first phase of the Company's current reverse circulation (RC) drilling program at the Kalgoorlie North Gold Project will enable upgrade of Inferred Mineral Resource material to Indicated status at both the Zoroastrian and Bulletin South deposits and has defined additional exploration opportunities.

Excelsior Gold Limited ABN 38 123 629 863
Address: Unit 2, 124 Stirling Highway, North Fremantle WA 6159 Postal: PO Box 520, North Fremantle WA 6159
Telephone: 08 9335 7770 Facsimile: 08 9335 6231

Drilling in three areas, Bulletin South, Zoroastrian and Zoroastrian South extensions, encountered gold mineralisation and provided key geological information to advance each area. The initial results have significantly enhanced the prospectivity of the Bulletin South area in the south west of the tenements and confirmed the exploration potential to the south of the existing Zoroastrian resource.

The large Zoroastrian mineralised system defined to date is approximately 1.4 kilometres long and remains open along strike to the south and at depth. Indicated and Inferred gold resources *(at 0.6g/t and 3.0g/t Au cut-offs)* total:

6.69 million tonnes @ 2.70g/t Au for **581,200ozs**

Probable Ore Reserves within the current Pre-Feasibility Study (PFS) open pit and underground mining plan total *(refer ASX announcement 4 March 2014)*

3.017million tonnes @ 2.82g/t Au for **273,300ozs**

The Bulletin South area is developing into a significant mineralised complex. Gold mineralisation is associated with northeast trending and splay shear structures related to the Black Flag Fault structural system. Current Indicated and Inferred gold resources *(at 0.6g/t Au cut-off)* total:

522,000 tonnes @ 2.22g/t Au for **37,200ozs**

Probable Ore Reserves within the PFS open pit mining plan total *(refer ASX announcement 4 March 2014):*

206,000 tonnes @ 2.17g/t Au for **14,300ozs**

Results from the recent drilling program indicate potential for further increases in resources and ore reserves at both Zoroastrian and Bulletin South.

This announcement refers to the results from 1,858 metres of RC drilling in 13 holes completed between 3 August 2014 and 11 August 2014.

Bulletin South

A total of 641 metres of RC drilling in five holes was conducted to test strike and dip orientations of the gold mineralisation and to upgrade 75,000 tonnes of Inferred resources grading 3.45g/t Au for 8,300 ounces which remain outside current Ore Reserve estimates due to the low resource classification. Pit optimisations based on all resource material types (Indicated and Inferred) have suggested that a large proportion of this material could convert to Ore Reserves upon confirmation with further drilling. The new geological interpretation also has potential to significantly enhance exploration upside.

Drilling encountered significant mineralisation which supports the new interpretation including:

- **19 metres @ 5.94g/t Au** from 77 metres including **8m @ 12.7g/t Au** from 78 metres *(KNC140014*),
- **16 metres @ 1.96g/t Au** from 94 metres *(KNC14010015)*
- **11 metres @ 1.35g/t Au** from 30 metres **and 7m @ 1.53g/t Au** from 79 metres *(KNC140012),*

Based on these results, the gold mineralisation is interpreted to change dip and strike and remains open to the southwest. A further four holes are proposed to be drilled outside of the

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current resource model to test for further strike and dip extensions to this gold mineralisation.

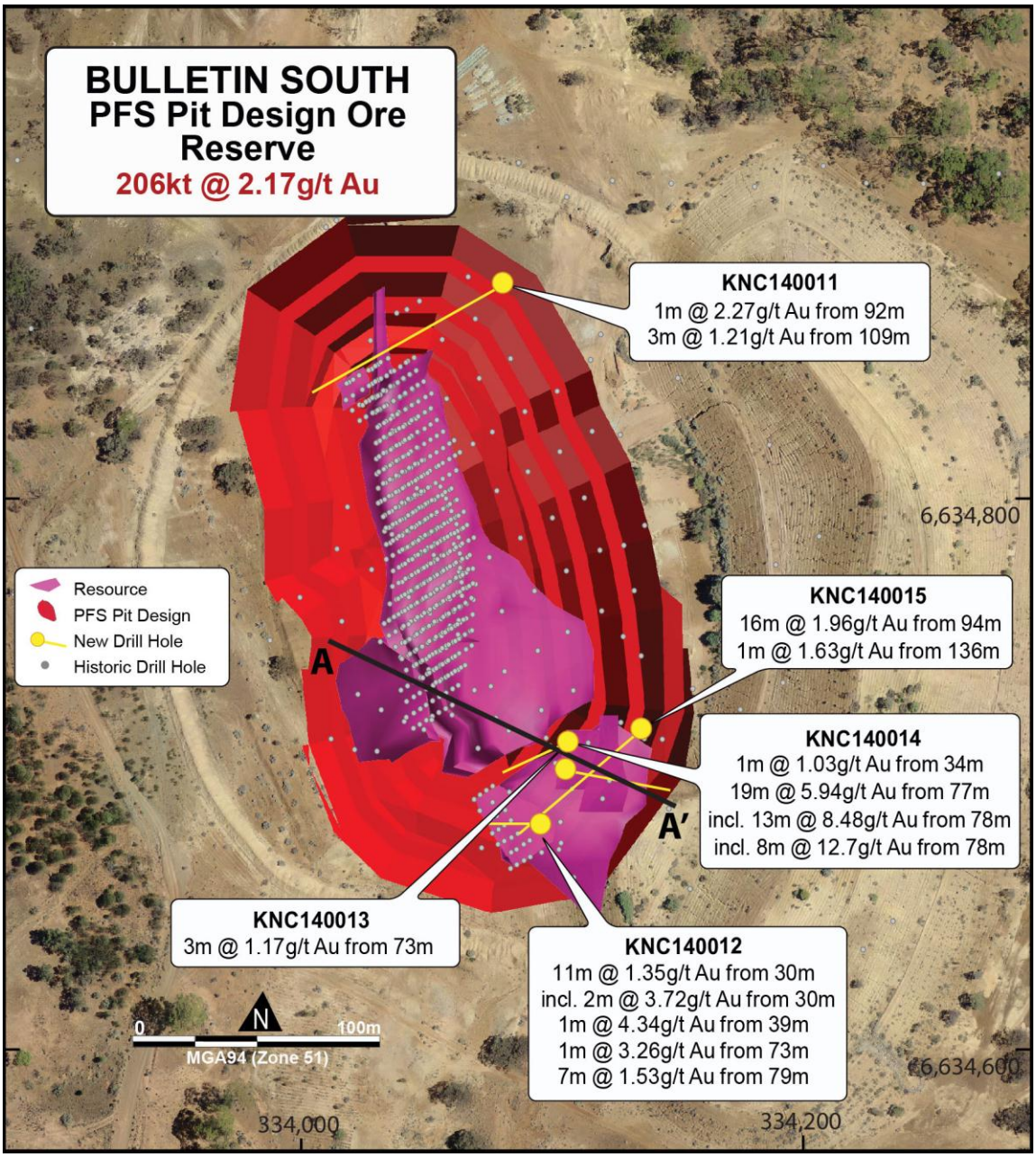

Figure 1. Bulletin South Aerial Photo

(showing PFS Pit Design, Resource Model and Recent Drill Hold Locations and Results)

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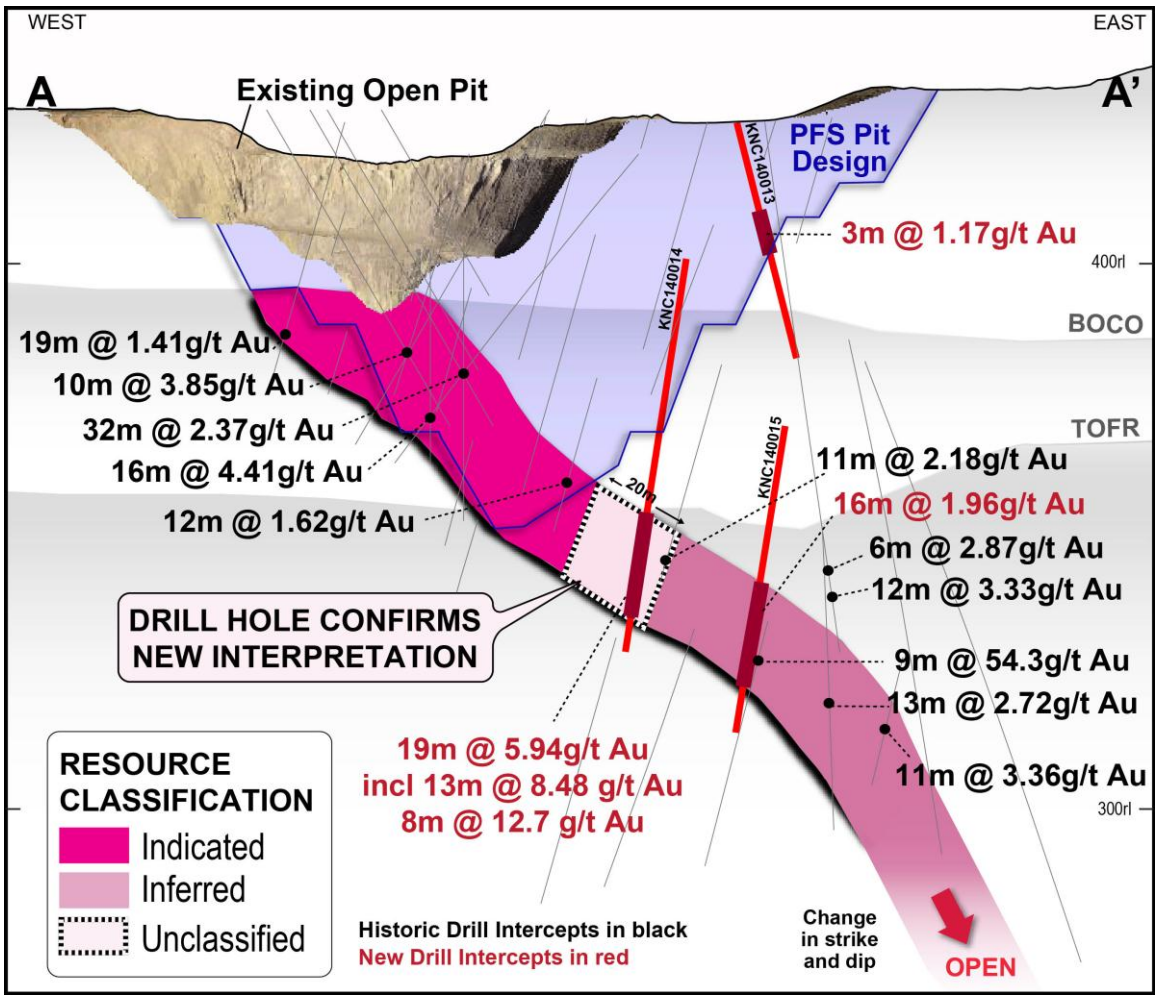

Figure 2. Bulletin South Cross Section

(showing Historical Open Pit, PFS Pit Design, Gold Mineralisation, Historical Drilling Results in black and Recent Drilling Results in red)

Zoroastrian – Dalby and Beckett Lodes

Three RC drill holes were planned to better define mineralisation close to the PFS Ore Reserve decline. The drilling successfully demonstrated the continuity of the Dalby and Beckett flat lodes and will enable upgrade of the resource classification in this area to Indicated and potential inclusion of additional material in an Ore Reserve update for the underground mining plan.

Results returned included

- **6 metres** @ **3.29g/t Au** from 232 metres
- **4 metres** @ **2.84g/t Au** from 198 metres

The best intersection, 6m @ 3.39g/t Au from 232m in KNC140009, is the interpreted down plunge position of KNC120268 which reported 15m @ 4.09g/t Au during 2012. Unfortunately, drill hole KNC140008 stopped at 180 metres depth, approximately 3 metres short of the target zone due to drilling equipment problems. It is proposed to complete this hole with diamond core drilling at a later date.

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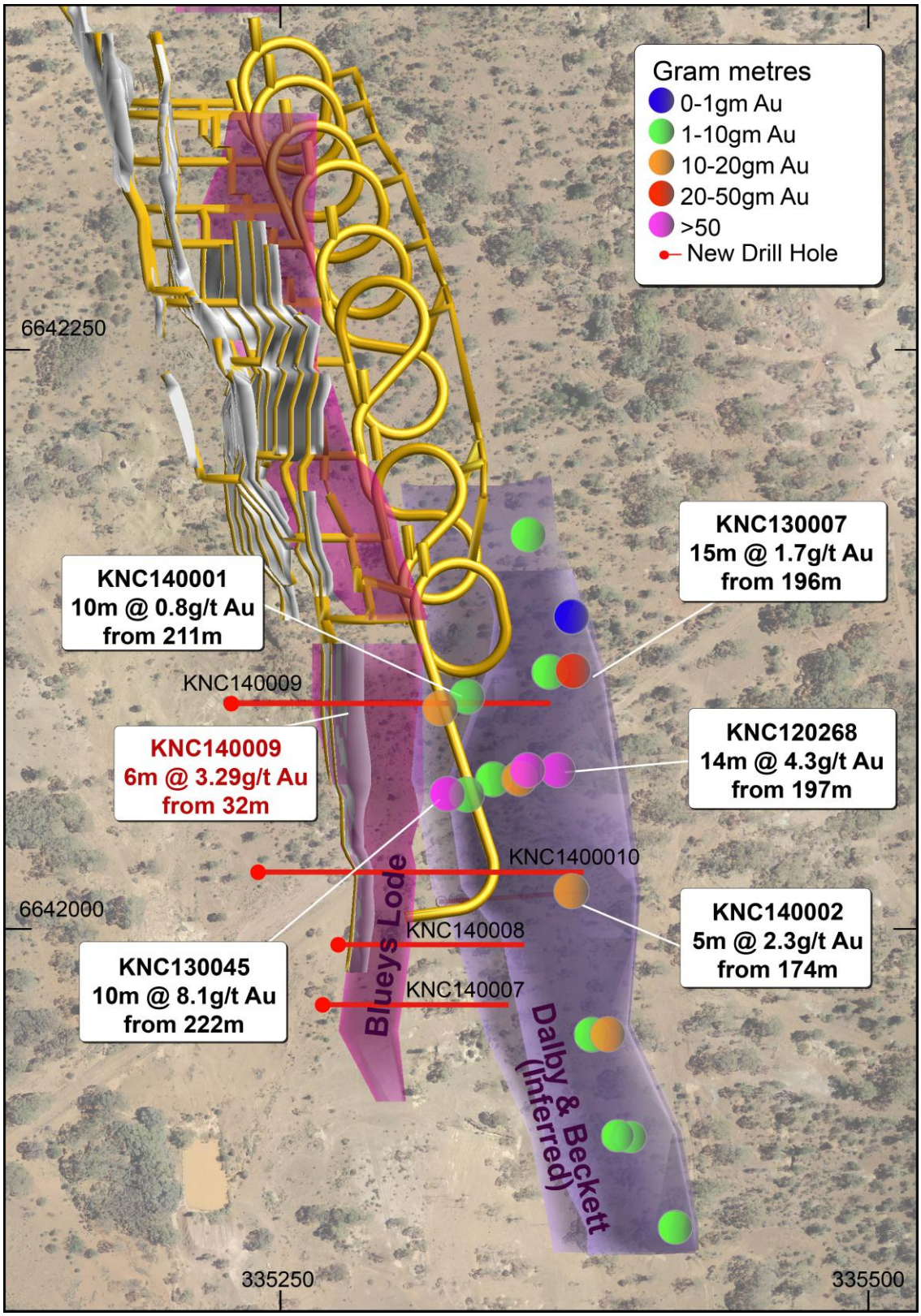

Figure 3. Zoroastrian South Aerial Photo

(showing PFS Underground Mine Design, Gold Mineralisation Wireframes – Bluey's and Dalby and Beckett Lodes, Historical Drilling Results in black and Recent Drilling Results in red)

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Zoroastrian South Exploration

The Zoroastrian gold system is hosted in the Zoroastrian Dolerite which extends south from the currently defined gold resources for a distance of 12.5 kilometres in the Company's tenements before it passes into Norton Gold Field Limited tenements where it hosts the Broad Arrow and the large Paddington deposits. The northerly striking dolerite unit is intersected by a series of north east trending cross cutting faults related to the Black Flag Fault system. These cross cutting faults influence the distribution of gold mineralisation within the dolerite.

A line of four RC holes was completed in a bold, 150 metres step out to the south of the southernmost drilling and ore wireframes at Zoroastrian to test the potential next pod of gold mineralisation related to interpreted cross faulting.

This shallow, first pass, exploratory drilling successfully intersected carbonate and sulphide alteration and anomalous gold values in the range of 0.1 – 0.3g/t Au within the dolerite with best intersection **1 metre @ 3.88g/t Au** from 54 metres depth in hole KNC140004. This confirms that mineralising fluids are present.

The drill holes were targeting a geophysical trend that is interpreted as the main granophyric dolerite host at Zoroastrian. Geological logging of the drill holes recognised arsenopyrite and disseminated pyrhottite within a granophyric dolerite, similar to the main Zoroastrian mineralisation to the north. The western most drill hole on this traverse, which importantly has defined the sediment/dolerite contact zone, will now be extended to further test the granophyric zone in a similar position as that which hosts the main Zoroastrian lodes to the north.

Planned Work

A drilling program for 2,130 metres of reverse circulation drilling in 27 holes is currently being assessed and drilled:

- To further extend the known resource at Bulletin South around the optimal pit shell to potentially expand the Ore Reserve,

- To follow up on two historical intercepts of 17 metres @ 3.89g/t Au from 9 metres and 4 metres @ 3.69g/t Au from 14 metres 50 metres apart which lie 400 metres northwest of Bulletin South.

- To test the interpreted intersection of the structures containing the anomalous grade (up to 3.88g/t Au) and alteration with the granophyric unit of the dolerite by re-entering hole KNC14006.

- Infill the pit optimisation shell at Parkerville to enable large portions of the current Inferred Mineral Resource to be re-classified as an Indicated Mineral Resource for inclusion in any ore reserve estimations. Previous drill intercepts in this structure include **4 metres @ 35.1g/t Au** from 40 metres, **6 metres @ 10.5g/t Au** from 43 metres and **9 metres @ 5.48g/t Au** from 100 metres. Further shallow high grade intercepts over 350 metres of strike include **29 metres @ 2.88g/t Au** from 34 metres,

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14 metres @ **3.63g/t Au** from 14 metres and **9 metres** @ **3.05 g/t Au** from 42 metres.

- Utilise the new Zoroastrian gold mineralisation and fluid flow modelling to test the Pleasurebound Dolerite which lies 680 metres southwest of Zoroastrian South. Inspection of historical workings identified a northwest striking quartz vein dipping shallowly to the north-east within a differentiated dolerite. Similar orientated veins are seen with short dimensions within the historical Zoroastrian pit subsidiary to the main north-north-west dipping lodes. Limited drilling on this lode returned intercepts up to **4 metres** @ **43.5g/t Au** from 18 metres with wider spaced reconnaissance drilling returning composite results of 4 metres @ 1.5g/t Au from 40 metres, 6 metres @ 0.61g/t Au from 54 metres, 6 metres @ 0.73g/t Au from surface and 2 metres @ 0.77g/t Au from 54 metres (EOH). Historical soil sampling shows a consistent +20ppb Au soil anomaly over the dolerite with peaks up to 310ppb Au adjacent to the western dolerite contact with an ultramafic unit.

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

Excelsior Gold Limited

David Hamlyn
Managing Director
T: + 61 8 9335 7770
E: dhamlyn@excelsiorgold.com.au

David Potter
Technical Director
T: + 61 8 9335 7770
E: dpotter@excelsiorgold.com.au

Competent Person Statements– Exploration Results and Mineral Resources:

Information in this announcement that relates to Mineral Resource and exploration results is based on information compiled by Mr. David Potter who is the Technical Director of Excelsior Gold Limited. Mr. Potter is a Member of The Australian Institute of Geoscientists and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking, to qualify as Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Potter consents to the inclusion in the document of the information in the form and context in which it appears.

Competent Persons Statements – Ore Reserves

The information in this announcement which relates to Ore Reserve estimates accurately reflects information prepared by competent persons (as defined by the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves). The information in this public statement that relates to the Ore Reserves at the Excelsior Gold Kalgoorlie North Gold Project is based on information resulting from Pre-Feasibility works carried out by Auralia Mining Consulting. Both Mr. Daniel Tuffin (Open Pits) and Mr Anthony Keers (Underground Workings) completed the Ore Reserve estimate. Mr Daniel Tuffin and Mr Anthony Keers are Members and Chartered Professionals (Mining) of the Australasian Institute of Mining and Metallurgy and have sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that they are undertaking to qualify them as Competent Persons as defined in accordance with the Australasian Joint Ore Reserves Committee (JORC).

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HOLE NUMBER	EAST MGA94 Z51	NORTH MGA94 Z51	AHD RL (m)	FINAL DEPTH (m)	COLLAR DIP	COLLAR AZIM	FROM (m)	TO (m)	LENGTH (m)	GRADE (Au g/t)
Zoroastrian South										
KNC140003	335520	6641480	425	102	-60	90			NSI	
KNC140004	335480	6641480	425	131	-60	90	54	55	1	3.88
KNC140005	335440	6641480	425	96	-60	90			NSI	
KNC140006	335400	6641480	425	114	-60	90			NSI	
KNC140007	335260	6641960	429	78	-60	90			NSI	
KNC140008	335267 target depth not reached	6641980	429	180	-65	90	153 **163**	154 **164**	1 **1**	2.03 **8.08**
KNC140009	335203	6642100	430	258	-60	90 incl	113 122 161 **232**	114 133 162 **238**	1 11 1 **6**	3.08 1.15 1.40 **3.29**
KNC140010	335223	6642025	429	258	-60	90	198 215	202 216	4 1	2.84 2.26
Bulletin										
KNC140011	334080	6634885	429	125	-50	240	92 109	93 112	1 3	2.27 1.21
KNC140012	334094	6634685	428	120	-80	270 incl	30 30 39 73 79	41 32 40 74 86	11 2 1 1 7	1.35 3.72 4.34 3.26 1.53
KNC140013	334105	6634704	428	150	-75	100	73	76	3	1.17
KNC140014	334105	6634715	428	102	-75	245 **incl** **incl**	34 **77** **78** **78**	35 **96** **91** **86**	1 **19** **13** **8**	1.03 **5.94** **8.48** **12.7**
KNC140015	334135	6634720	428	144	-65	230	**94** 136	**110** 137	**16** 1	**1.96** 1.63

Table 1: Drill Hole Summary *(27 August 2014)*

All assay results based on SGS Kalgoorlie 50g fire assay charge with an atomic absorption analysis

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1. JORC Code, 2012 Edition – Table 1 – ZOROASTRIAN

2. Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.) Information for historical (Pre Excelsior Gold from 1983 to 2008) drilling, sampling, mining and milling of the Zoroastrian deposit has been extensively viewed and validated where possible. Information pertaining to historical QAQC procedures and data is incomplete but of a sufficient quality and detail to allow drilling and assay data to be used for resource estimations. Further, Excelsior Gold has undertaken extensive infill and confirmation drilling which confirm historical drill results. Sections 1 and 2 describe the work undertaken by Excelsior and only refer to historical information where appropriate and/or available.

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (e.g. 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 (e.g. '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 or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.*	• At Zoroastrian the Reverse Circulation (RC) was designed to infill existing drilling to an nominal 40m x 40m grid spacing. The holes were generally drilled towards grid east at varying angles to optimally intersect the mineralized zones. • The exploration line at Zoroastrian was undertaken using RC Drilling on a single line with 40m spaced holes drilled towards grid east at -60 degrees. • Due to access issues drilling at Bulletin South was undertaken at variable angles and dips in order to test a particular geological understanding thus drill intercepts do not necessarily represent true widths. However, it is interpreted that true widths are no less than 80% of the downhole intercepts. • The drill hole locations were designed to allow for spatial spread of samples across multiple mineralized zones and different rock types. All RC recovered samples were collected and passed through a cone splitter. Prior to drilling the drill hole locations were pegged using either contract surveyors or hand held GPS units. After drilling, all drill hole locations are picked up by contract surveyors using a RTK system. All drill holes greater than 80m drilled by EXG were down hole surveyed by contractors using specific non-magnetic tools. • All RC drilling was sampled on one metre down hole intervals. The recovered samples were passed through a cone splitter and a nominal 2.5kg – 3.5kg sample was taken to a Kalgoorlie contract laboratory. Samples were oven dried, reduced by riffle splitting to 3kg as required and pulverized in a single stage process to 85% passing 75 µm. The sample is then prepared by standard fire assay techniques with a 50g charge. Approximately 200g of pulp material is returned to Excelsior for storage and potential assay at a later date. Samples were oven dried, crushed to a nominal 10mm by a jaw crusher, reduced by riffle splitting to 3kg as required and pulverized in a single stage process to 85% passing 75 µm. The sample is then prepared by standard fire assay techniques with a 50g charge. Approximately 200g of pulp material is returned to Excelsior for storage and potential assay at a later date.
Drilling techniques	• *Drill type (e.g. core reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. 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).*	• All assays reported in this announcement have come from drilling using a drilling contractor. The RC drilling system employed the use of a face sampling hammer and a nominal 146mm diameter drill bit.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed*	• All RC 1m samples are logged for drilling recovery by a visual estimate and this information is recorded and stored in the drilling database. At least every 10th metre is collected in a plastic bag and these are weighed when they are utilized for the collection of field duplicate samples. The weight of the sample in the plastic bag is

		recorded and the total sample recovery can be calculated. All samples received by the laboratory are weighed with the data collected and stored in the database. Sample loss or gain is reviewed on an ongoing basis and feedback given to the drillers to enable the best representative sample to always be obtained.
	• *Measures taken to maximise sample recovery and ensure representative nature of the samples*	• RC samples are visually logged for moisture content, sample recovery and contamination. This is information is stored in the database. The RC drill system utilizes a face sampling hammer which is industry best practice and the contractor aims to maximize recovery at all times. RC holes are drilled dry whenever practicable to maximize recovery of sample..
	• *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.*	• Study of sample recovery vs gold grade does not show any bias towards differing sample recoveries or gold grade. The drilling contractor uses standard industry drilling techniques to ensure minimal loss of any size fraction. The sample recovery vs gold grade is assessed on an ongoing basis throughout the drilling program.
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.*	• All RC samples are geologically logged. Specifically, each interval is visually inspected with a hand lens and the following parameters are recorded where observed: weathering, regolith, rock type, alteration, mineralization, shearing/foliation and any other features that are present. This information is transferred electronically from the geologist to the database.
	• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.*	• Where required the logging records the abundance of specific minerals or the amount of alteration (including weathering) using defined ranges.
	• *The total length and percentage of the relevant intersections logged.*	• The entire lengths of RC holes are logged on a 1m interval basis, i.e. 100% of the drilling is logged, and where no sample is returned due to voids (or potentially lost sample) it is logged and recorded as such.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.*	• not applicable
	• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.*	• All RC samples are put through a cone splitter and the sample is collected in a unique pre-numbered calico sample bag. The moisture content of each sample is recorded in the database. The drilling method is designed to maximize sample recovery and representative splitting of samples. The drilling methods also maximize dry samples as they are designed to keep water out of the hole when possible.
	• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*	• The sample preparation technique for all samples follows industry best practice, by an accredited laboratory. The techniques and practices are appropriate for the type and style of mineralization. The RC samples are sorted, oven dried, the entire sample is pulverized in a one stage process to 85% passing 75 µm. The bulk pulverized sample is then bagged and approximately 200g extracted by spatula to a numbered paper bag that is used for the 50g fire assay charge.
	• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.*	• RC samples submitted to the laboratory are sorted and reconciled against the submission documents. Excelsior inserts blanks and standards with blanks submitted in sample number sequence at 1 in 50 and standards submitted in sample number sequence at 1 in 20. The laboratory uses their own internal standards of 2 duplicates, 2 replicates, 2 standards, and 1 blank per 50 fire assays. The laboratory also uses barren flushes on the pulveriser.
	• *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.*	• In the field every 10th metre from the bulk sample port on the cone splitter is bagged and placed in order on the ground with other samples. This sample is then used for collection of field duplicates via riffle splitting. RC field duplicate samples are collected after results are received from the original sample assay. Generally, field duplicates are only collected where the original assay result is equal to or greater than 0.1g/t Au. The field duplicates are submitted to the laboratory for the standard assay process. The laboratory is blind to the original sample number.
	• *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• The sample sizes are considered to be appropriate for the type, style, thickness and consistency of mineralization located at this project. The sample size is also appropriate for the sampling methodology employed and the gold grade ranges returned.
Quality of assay	• *The nature, quality and appropriateness*	• The assay method is designed to measure total gold in the sample.

data and laboratory tests	*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 (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	The laboratory procedures are appropriate for the testing of gold at this project given its mineralization style. The technique involves using a 50g sample charge with a lead flux which is decomposed in a furnace with the prill being totally digested by 2 acids (HCl and HNO3) before measurement of the gold content by an AA machine. • Not used for reporting or interpretation of gold mineralization. • The QC procedures are industry best practice. The laboratory is accredited and uses its own certified reference material. The laboratory has 2 duplicates, 2 replicates, 1 standard and 1 blank per 50 fire assays. At the same time Excelsior submits blanks at the rate of 1 in 50 samples and certified reference material standards at the rate of 1 in 20 samples in the normal run of sample submission numbers. As part of normal procedures Excelsior examines all standards and blanks to ensure that they are within tolerances. Additionally, sample size, grind size and field duplicates are examined to ensure no bias to gold grade exists.
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.*	• Exploration Manger Mr Bradley Toms has inspected and RC chips in the field to verify the correlation of mineralized zones between assay results and lithology/alteration/mineralization. • A number of RC holes were drilled throughout the deposit to twin historical RC holes. These twinned holes returned results comparable to the original holes and were also used to collect geological information and material for metallurgical assessment. No diamond drilled has been drilled to date to confirm geological interpretation and results obtained from RC drillholes. • Primary data is sent digitally every 2-3 days from the field to Excelsior's Database Administrator (DBA). The DBA imports the data into the commercially available and industry accepted DataShed database software. Assay results are merged when received electronically from the laboratory. The responsible geologist reviews the data in the database to ensure that it is correct and has merged properly and that all data has been received and entered. Any variations that are required are recorded permanently in the database. • No adjustments or calibrations were made to any assay data used in this report.
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.*	• All drill holes have their collar location recorded from a hand held GPS unit. Holes that may be in a future resource estimate area have their collar position picked up by licensed contract surveyors using a RTK system. Downhole surveys are completed every 30m downhole. • All drill holes and resource estimation use the MGA94, Zone 51 grid system. • The topographic data used was obtained from consultant surveyors and is based on a LiDAR survey flown in 2012. It is adequate for the reporting of Exploration Results and subsequent Mineral Resource estimates.
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.*	• The nominal drill spacing is 40m x 40m with some cross-sections in-filled to 20m across strike. This spacing includes data that has been verified from previous exploration activities on the project. • This report is for the reporting of exploration results. The drill spacing, spatial distribution and quality of assay results is sufficient to support the current JORC classification of material contained within this report and is appropriate for the nature and style of mineralisation being reported. • Compositing has not been applied to reporting of exploration results.
Orientation of data in relation to geological	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is*	• The majority of drilling is to grid east. The bulk of the mineralized zones are perpendicular to the drilling direction. Structural mapping of the existing pits at Bulletin and Zoroastrian, logging of orientated

structure	*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.*	drill core at Zoroastrian supports the drilling direction and sampling method. • No drilling orientation and sampling bias has been recognized at this time.
Sample security	• *The measures taken to ensure sample security.*	• Sample security is part of Excelsior's QAQC and sampling procedures. RC samples are delivered directly from the field to the Kalgoorlie laboratory by Excelsior personnel on a daily basis with no detours, the laboratory then checks the physically received samples against an Excelsior generated sample submission list and reports back any discrepancies
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	• An internal review of sampling techniques and procedures was completed in March 2013. No external or third party audits or reviews have been completed.

Section 2 Reporting of Exploration Results (Zoroastrian)

(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 reporting along with any known impediments to obtaining a licence to operate in the area.*	• The results reported in this Announcement are on granted Mining Leases held by GPM Resources Pty Ltd, a wholly owned subsidiary of Excelsior Gold Limited. • At this time the tenements are believed to be in good standing. There are no known impediments to obtaining a license to operate, other than those set out by statutory requirements which have not yet been applied for.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Exploration by other parties has been reviewed and is used as a guide to Excelsior's exploration activities. Previous parties have completed both open pit and underground mining, geophysical data collection and interpretation, soil sampling and drilling. This report comments on only exploration results collected by Excelsior.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The gold mineralisation in the Zoroastrian area is predominately associated with a complex array of multiple dimensional and variable orientated quartz veins and stock works within the differentiated Zoroastrian Dolerite. In places a surficial 1-2m thick calcrete/lateritic gold bearing horizon and small near surface supergene pods exist. Recent open pits, historical workings and shafts exist within this unit throughout the Company's tenements and beyond. Detailed mapping and sampling of these workings and structural measurements from orientated diamond core drilling forms the basis of the geological interpretation. • The gold mineralisation at Bulletin is predominately associated with a quartz veins and stock works within a porphyry stock. Within and beneath the historical pit the gold mineralisation dips 60 to 70 degrees towards 080 magnetic plunging? 30 degrees to the south. Towards the southern end the gold mineralisation now appears to steepen and dip towards the south-west.

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*
		• The drill holes reported in this Announcement have the following parameters applied. All drill holes completed, including holes with no significant gold intersections are reported in this announcement.
		• Easting and northing are in MGA94 Zone 51
		• RL is AHD
		• Dip is the inclination of the hole from the horizontal (i.e. a vertically down drilled hole from the surface is -90°). Azimuth is reported in magnetic degrees as the direction toward which the hole is drilled.

		MGA94 and magnetic degrees vary by approximately 1° in this project area
	○ *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.*	• Down hole length of the hole is the distance from the surface to the end of the hole, as measured along the drill trace. Interception depth is the distance down the hole as measured along the drill trace. Intersection width is the downhole distance of an intersection as measured along the drill trace • Hole length is the distance from the surface to the end of the hole, as measured along the drill trace. • No results from previous exploration are the subject of this Announcement.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. 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.*	• No high grade cuts have been applied to assay results. RC assay results are distance weighted using 1m for each assay. • Intersections are reported if the interval is at least 1m wide at 1g/t Au grade. Intersections greater than 1m in downhole distance can contain up to 2m of low grade or barren material. • No metal equivalent reporting is used or applied.
Relationship between mineralisation widths and intercept lengths	• *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 clear statement to this effect (e.g. 'down hole length, true width not known').*	• The intersection width is measured down the hole trace, it is not usually the true width. Cross sections in this and previous announcements allow the relationship between true and down hole width to be viewed. • Data collected from orientated drill core and from the open pit, confirm that the drilling direction is optimal for the mineralized zones at Zoroastrian. The multiple mineralized zones have a northerly strike and dip steeply to the west with some minor local overturning of lodes. • Due to access issues drilling at Bulletin South was undertaken at variable angles and dips in order to test a particular geological understanding thus drill intercepts do not necessarily represent true widths. However, it is interpreted that true widths are no less than 80% of the downhole intercepts. • All drill results within this announcement are downhole intervals only and due to variable mineralisation and style true widths are not able to be calculated until modelling of the mineralisation.
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.*	• Plans and cross sectional view are contained within 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 drill holes completed are included in the results Table in the Announcement.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological*	• No other exploration data is considered meaningful and material to this announcement.

	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.	
Further work	• *The nature and scale of planned further work (e.g. 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.*	• Future exploration is being planned and may involve the drilling of more drill holes, both DC and RC, to further extend the mineralised zones and to collect additional detailed data on known mineralized zones. • Future drilling areas are not highlighted as they are not yet planned.