



29 September 2014

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



**ASX Code: EXG**

## Placement of Shares

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Excelsior Gold Limited (“Excelsior Gold” or the “Company”) is pleased to advise that it has completed a placement to Australian institution and sophisticated investors to subscribe for 33.33 million shares at \$0.06 per share, raising \$2 million before costs of the issue (“Placement”).

The capital raising will further strengthen Excelsior Gold’s financial position, with funds raised to be predominantly use in preparation for mine production in 2015 under the Paddington co-operative ore treatment scenario. The Company will apply the funds to the completion of geotechnical and infill drilling at Zoroastrian, further expansion of the growing Bulletin South resources and reserves and to additional working capital.

Excelsior Gold’s Managing Director, Mr David Hamlyn, said: “We welcome the addition of new institutional investors on to our register and thank the existing shareholders who have participated in this Placement for their continuous support. The Placement enables us to advance our efforts to further reduce mining costs at Zoroastrian and Bulletin South by finessing open pit mine designs to reduce strip ratios and operating costs on the back of very competitive definitive mining cost submissions recently received from a number of mining contractors.”

Settlement of the Placement shares is scheduled on or around 3 October 2014 and shares issued under the Placement will rank equally with existing Excelsior shares.

### Second Tranche Convertible Loan Facility

Drawdown of the second tranche \$2 million convertible loan facility requires completion of equity raising(s) of no less than \$3 million net of costs. However conclusion of this Placement means Excelsior Gold will have sufficient working capital to complete a majority of the identified works program as stated above and advance the development of the Project well into year 2015. Excelsior Gold has therefore commenced discussion with Macquarie Bank to extend the drawdown date of the second tranche facility and will inform shareholders of the outcome of the discussions.

### Information required under ASX Listing Rule 3.10.5A

Excelsior Gold provides the information as required under ASX Listing Rule 3.10.5A as follows:

1. Dilution to existing shareholders as a result of the issue made under 7.1A:
  - The percentage of the existing issued capital represented by the Placement made under 7.1A is 7.97%.
  - The percentage of the post-Placement issued capital held by the pre-placement security holders is 92.61%.
2. Shares will be issued under listing rule 7.1A. Details of the Company's issued capital following the completion of the Placement held by pre-Placement and new shareholders are as follows.

	Shares	Percentage
Pre-Placement shareholders who did not participate in the Placement	283,723,566	62.89%
Pre-Placement shareholders who did participate in the Placement	150,104,855	33.27%
New shareholders who participated in the Placement	17,333,333	3.84%
Total	451,161,754	100%

3. Excelsior Gold considers that on this occasion the issue of shares to institutional and sophisticated investors to be a more efficient and expedient method for raising the funds to achieve the Company's objectives.
4. There was no underwriting for this Placement.
5. BBY Limited is the Lead Manager for the Placement and charged a 6% fee in connection with the Placement.

### Confirmation under section 708(5)(e) of the Corporations Act (Act)

The Company hereby notifies ASX under section 708A(5)(e) of the Act that:

1. the shares were issued without disclosure to investors under Part 6D.2 of the Corporations Act;
2. the Company is providing this notice under paragraph (5)(e) of section 708A of the Act;
3. as at the date of this notice, the Company has complied with the provisions of Chapter 2M of the Corporations Act as they apply to the Company;
4. as at the date of this notice, the Company has complied with section 674 of the Act; and
5. as at the date of this notice, there is no information:
  - (a) that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and

- (b) that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
  - (i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
  - (ii) the rights and liabilities attaching to the Shares.

For further information visit [www.excelsiorgold.com.au](http://www.excelsiorgold.com.au) or contact

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