



13 September 2017

## Positive Start to 33,000m Drill Program

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### Key Points

- **RC drilling successfully extends gold mineralisation at Nerrin Nerrin. Best results are:**
    - **KNC170020: 8m at 4.46g/t Au from 25m**
    - **KNC170016: 16m at 2.6g/t Au from 47m**
    - **KNC170009: 5m at 2.34g/t Au from 50m**
  - **Drilling at Pleasure Bound to commence in late September.**
  - **All remaining ore stockpiles from the Zoroastrian Central open pit transported to Lakewood toll treatment facility with processing to continue into October.**
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Excelsior Gold Limited (**ASX: EXG**) (“Company” or “Excelsior”) is pleased to announce the receipt of assay results from the recently completed reverse circulation (RC) drilling program at Nerrin Nerrin within EXG’s 100%-owned Kalgoorlie North Gold Project (“KGNP”), located 30 to 55km north of Kalgoorlie in Western Australia. The Company is working towards converting as much of the current 872,000 ounce gold resource base (Table 1) to reserves, while continuing to explore the highly prospective project area for new discoveries.

### Nerrin Nerrin Resource Extension Drilling

The Nerrin Nerrin prospect is located 3km south of the Zoroastrian deposit (Figure 1) and hosts a Mineral Resource of **181,000t at 2.38g/t Au for 13,800oz Au** (Table 1). The gold mineralisation at Nerrin Nerrin is contained within the Zoroastrian dolerite and is interpreted as being of a similar style to that found at Zoroastrian. Knowledge gained from the mining of Zoroastrian Central open pit has been applied to the geological model at Nerrin Nerrin, with the recently completed drilling program successfully extending the gold mineralisation northwards beyond the conceptual open pit shell, with the significant widths and grades encountered warranting follow-up work.

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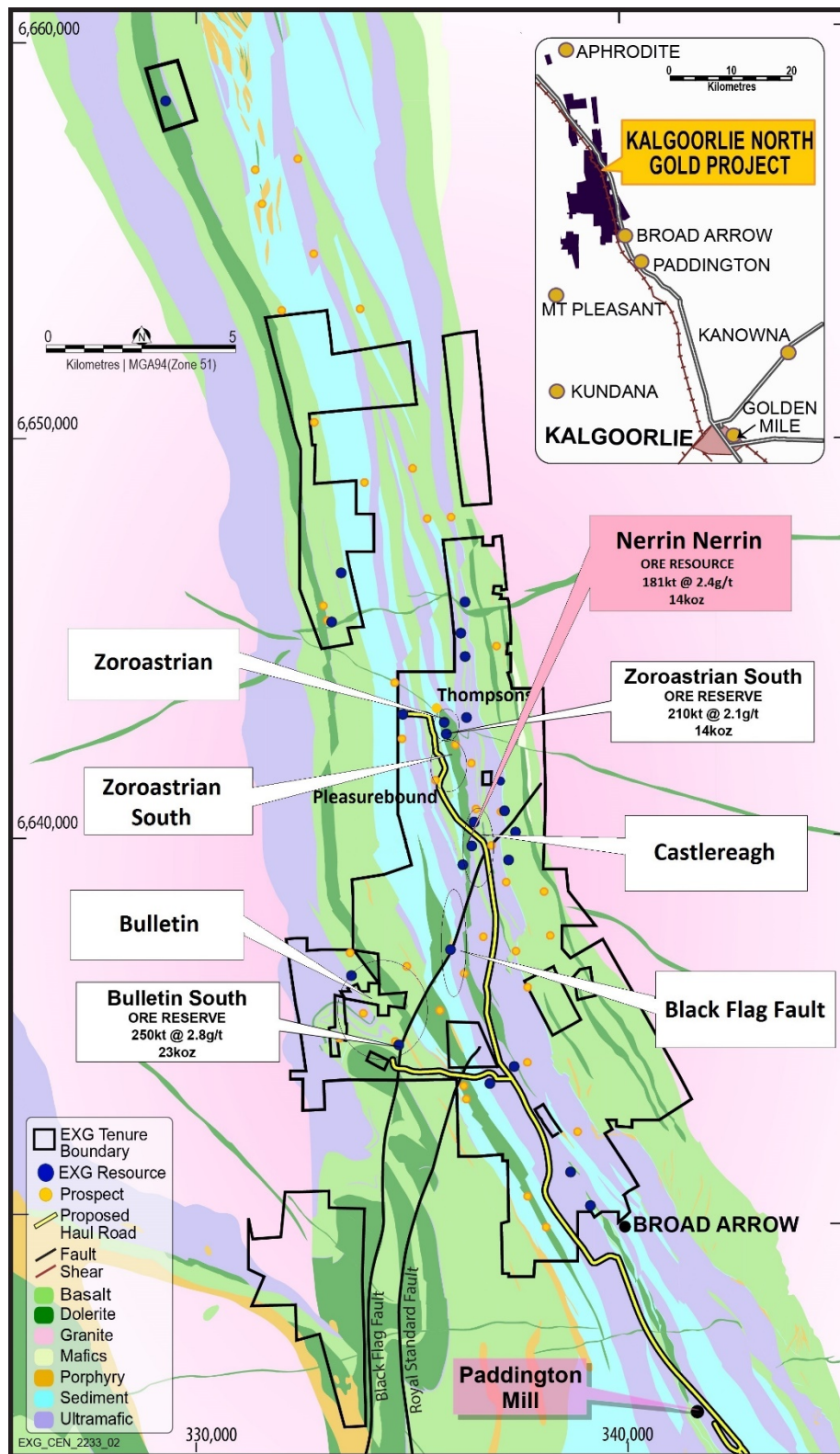


Figure 1: Nerrin Nerrin location plan

Of particular importance is hole KNC170016, which intersected 16m at 2.6g/t Au and confirmed that the mineralisation is similar to that found in the Royal Mint Lode at Zoroastrian (Figures 2 and 3).

The line of RC holes drilled 200m north of the Nerrin Nerrin conceptual pit (section 6639685mN, Figure 2) intersected 5m at 2.34g/t Au from 50m in hole KNC170009 (Figure 4) within a 10m wide zone of anomalous gold mineralisation (10m at 1.52g/t Au). This intersection confirms that mineralisation at Nerrin Nerrin is

more extensive than previously interpreted. Follow-up drilling will be planned and scheduled into the Nerrin Nerrin program as priorities dictate.

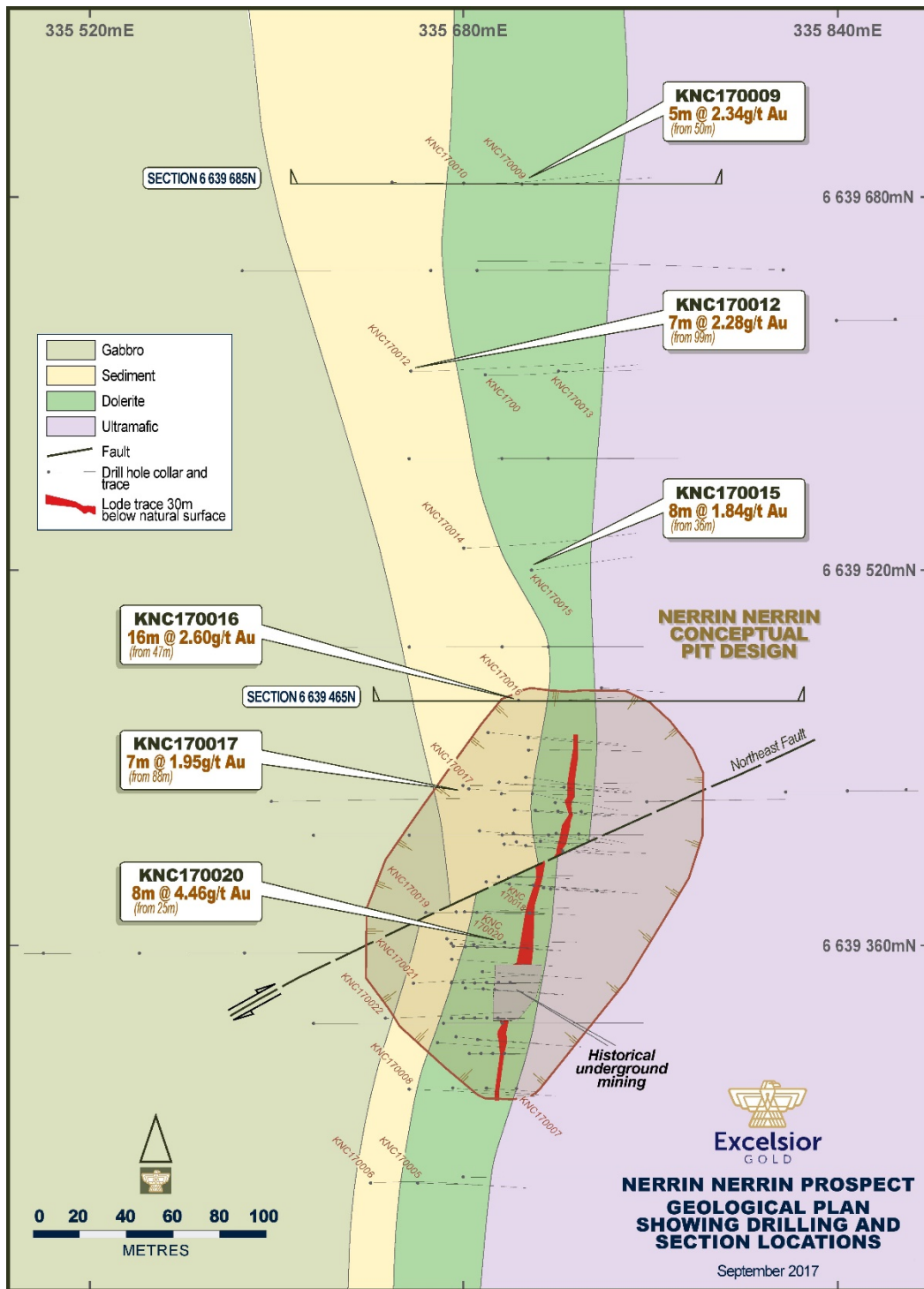


Figure 2: Nerrin Nerrin Conceptual open pit outline showing locations of cross sections

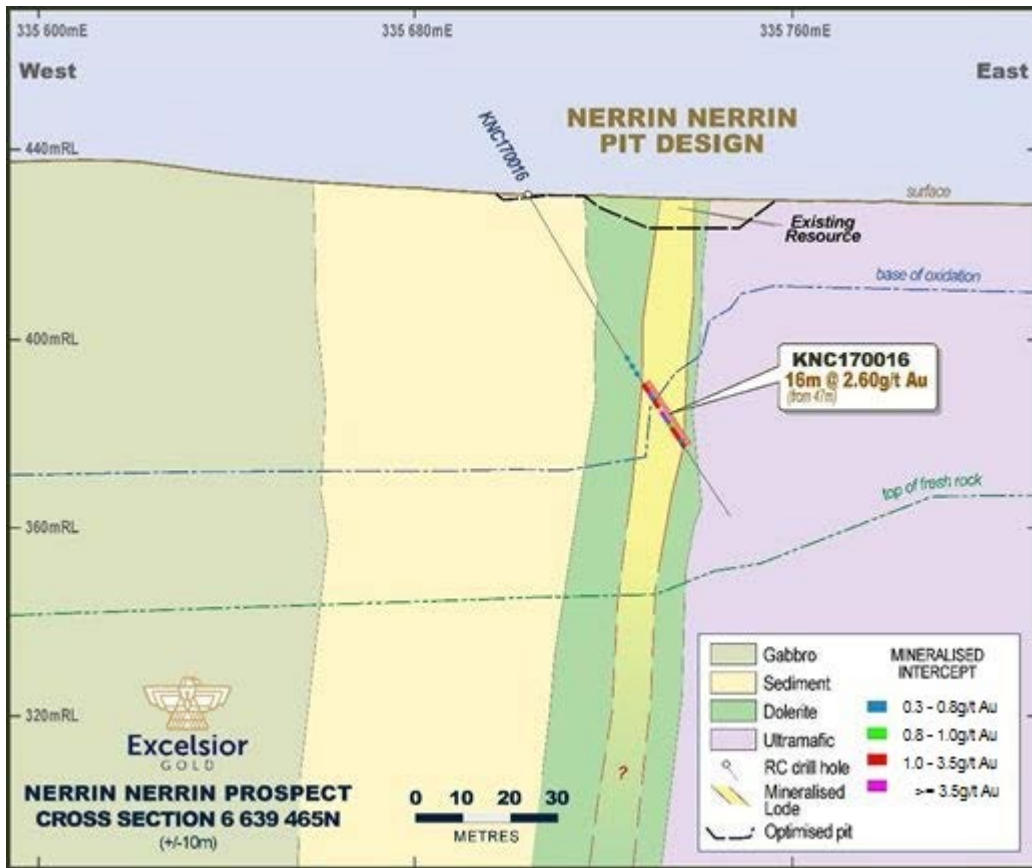


Figure 3: Nerrin Nerrin cross section 6639465mN

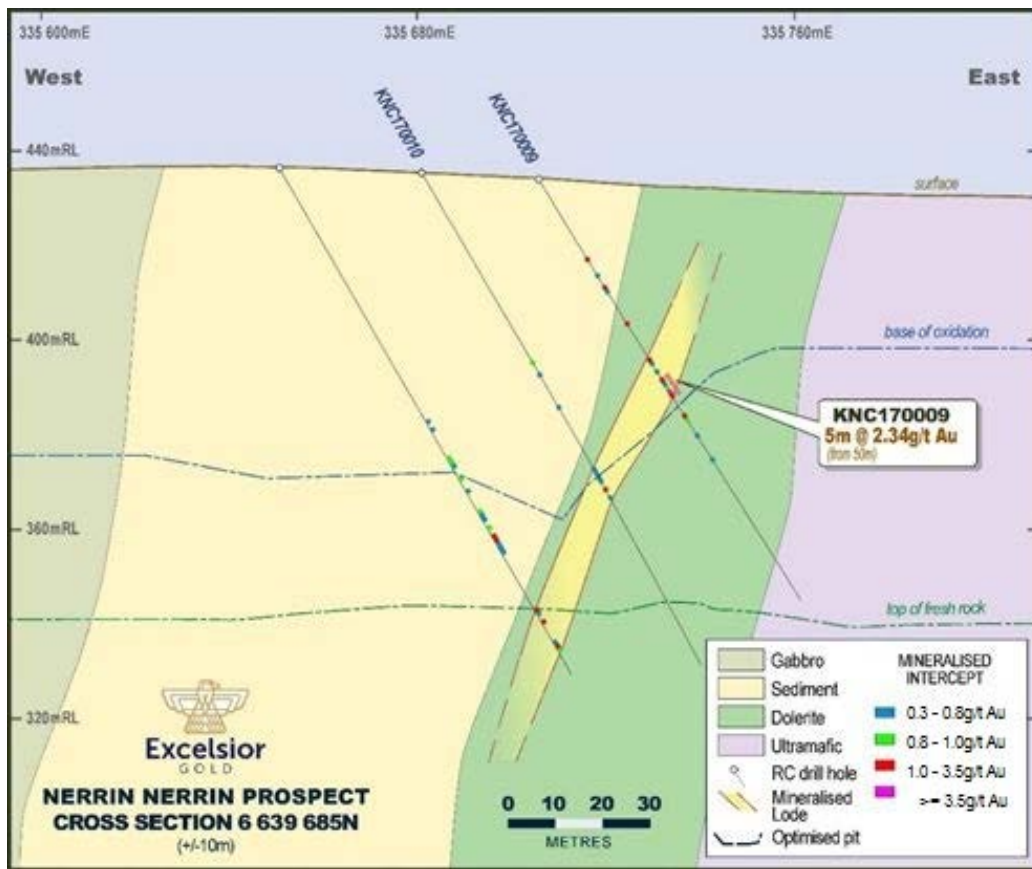


Figure 4: Nerrin Nerrin Cross section 6639685mN

## Planned Exploration Drilling

The diamond core drill hole at Thompsons, located immediately north of Zoroastrian (Figure 1), was completed to 463m. The core is currently being logged and cut for assaying including ASD and pXRF analysis on selected intervals. This work will take a further 6 to 10 weeks.

The next target is the Pleasure Bound dolerite, with the drill program scheduled to commence in late September. This parallel dolerite unit is located some 250m west of the Zoroastrian host sequence (Figure 1). An historical RC drill hole intercept of 4m at 43g/t Au from 18m down hole highlights the potential of this largely unexplored dolerite unit.

## Mining and Processing

All stockpiled gold ore from the Zoroastrian Central open pit has now been trucked from the ROM pad to the Lakewood toll treatment facility. Processing of the ore and subsequent sale of gold will continue into early October 2017.

**Table 1 KNGP Mineral Resource Summary**

KALGOORLIE NORTH GOLD RESOURCES		MEASURED			INDICATED			INFERRED			TOTAL RESOURCES			Original ASX report date
Deposit	Cut-Off (g/t Au)	Tonnes ('000t)	Grade (g/t Au)	Ounces ('000oz)	Tonnes ('000t)	Grade (g/t Au)	Ounces ('000oz)	Tonnes ('000t)	Grade (g/t Au)	Ounces ('000oz)	Tonnes ('000t)	Grade (g/t Au)	Ounces ('000oz)	
Excelsior	0.6	5,175	1.4	232	3,230	1.2	125	2,652	1.2	99	11,057	1.3	456	12-Apr-12
Zoroastrian (O/P)	0.6	24	3.4	3	605	1.6	31	868	1.5	41	1,498	1.5	75	14-Oct-16
Zoroastrian (U/G)	3.0				737	4.8	114	218	4.7	33	955	4.8	147	6-Jul-15
<b>Zoroastrian (Total)</b>		<b>24.0</b>	<b>3.4</b>	<b>2.6</b>	<b>1,342</b>	<b>3.4</b>	<b>146</b>	<b>1,086</b>	<b>2.1</b>	<b>74</b>	<b>2,453</b>	<b>2.8</b>	<b>223</b>	
<b>Lochinvar</b>	0.6				448	1.7	25	60	1.7	3	508	1.7	28	19-Feb-14
<b>Nerrin Nerrin</b>	0.6				74	2.4	6	107	2.4	8	181	2.4	14	15-Nov-13
<b>Ophir</b>	0.6							75	1.9	5	75	1.9	5	11-Dec-13
<b>Vettersburg South</b>	0.6							552	1.5	26	552	1.5	26	11-Dec-13
<b>Total Satellite Resources</b>					<b>522</b>	<b>1.8</b>	<b>31</b>	<b>793</b>	<b>1.6</b>	<b>42</b>	<b>1,315</b>	<b>1.7</b>	<b>73</b>	
<b>Other Resources (greater than 4km from Excelsior)</b>														
<b>Eldorado</b>	0.6				362	1.6	19	31	1.4	1	393	1.6	20	11-Sep-13
<b>Talbot North *</b>	0.6							662	1.7	36	662	1.7	36	31-Mar-10
<b>Bulletin South</b>	0.6	38	1.9	2	482	2.3	35	125	2.4	10	645	2.3	47	23-Jan-17
<b>Windanya</b>	0.6							360	1.5	17	360	1.5	17	11-Dec-13
<b>Total Other Resources</b>		<b>38.2</b>	<b>1.9</b>	<b>2.3</b>	<b>844</b>	<b>2.0</b>	<b>54</b>	<b>1,178</b>	<b>1.7</b>	<b>64</b>	<b>2,061</b>	<b>1.8</b>	<b>120</b>	
<b>TOTAL RESOURCES</b>		<b>5,237</b>	<b>1.4</b>	<b>237</b>	<b>5,938</b>	<b>1.9</b>	<b>355</b>	<b>5,710</b>	<b>1.5</b>	<b>279</b>	<b>16,885</b>	<b>1.6</b>	<b>872</b>	

*\*This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.*

*Differences may occur to rounding.*

*The Bulletin South and Zoroastrian Open Pit resources are reported within an A\$2,750 per ounce gold price pit shell. Other resources are reported above applicable depths below surface.*

## Qualifying Statement

*This report may include forward-looking statements. These forward-looking statements are based on a number of assumptions made by the Company and its consultants in light of experience, current conditions and expectations concerning future events which the Company believes are appropriate in the present circumstances. Forward-looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of Excelsior Gold, which could cause actual results to differ materially from such statements. The Company makes no undertaking to subsequently update or revise the forward-looking statements made in this release to reflect the circumstances or events after the date of this release.*

## Competent Person Statement – Exploration Results

*Information in this announcement that relates to exploration results is based on information compiled by Mr. Bradley Toms who is the Exploration Manager of Excelsior Gold Limited. Mr. Toms 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 that he is 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. Toms consents to the inclusion in the document of the information in the form and context in which it appears.*

**Table 2 Nerrin Nerrin significant gold assay results**

HOLE NUMBER	EAST (MGA94Z51)	NORTH (MGA94Z51)	AHD RL (m)	FINAL DEPTH (m)	COLLAR DIP	COLLAR AZIM (magnetic)	FROM (m)	TO (m)	LENGT H	GRADE g/t Au
KNC170005	335660.73	6639259.83	430.57	85	-60	090				NSA
KNC170006	335640.73	6639259.93	430.63	100	-60	090				NSA
KNC170007	335702.79	6639299.96	430.90	30	-60	090	1	3	2	1.24
KNC170008	335657.14	6639299.72	432.68	96	-60	090	73	74	1	1.12
KNC170009	335705.74	6639684.45	434.02	105	-60	090	20	21	1	1.13
"							27	28	1	2.36
"							36	37	1	2.24
"							45	46	1	2.40
"							50	55	5	2.34
"							59	60	1	1.42
KNC170010	335680.95	6639684.86	435.26	120	-60	090	78	79	1	1.18
KNC170011	335690.04	6639603.38	436.77	130	-60	090	57	58	1	5.79
KNC170012	335658.45	6639604.98	437.31	150	-60	090	52	56	4	1.87
"							99	106	7	2.28
"							138	139	1	2.49
"							151	155	4	0.98
KNC170013	335721.11	6639604.91	433.65	66	-60	090				NSA
KNC170014	335680.72	6639529.74	433.46	126	-60	090	107	108	1	1.05
"							115	116	1	1.76
KNC170015	335709.49	6639520.31	433.02	84	-60	090	36	44	8	1.84
KNC170016	335703.86	6639464.88	430.09	80	-60	090	47	63	16	2.60
"						including	49	57	8	3.36
KNC170017	335682.74	6639427.38	431.07	124	-60	090	67	70	3	2.28
"							77	79	2	2.04
"							88	95	7	1.95
KNC170018	335708.47	6639374.58	430.20	36	-60	090				NSA
KNC170019	335664.34	6639374.83	432.65	108	-60	090	66	70	4	1.26
KNC170020	335697.94	6639362.12	430.84	56	-60	090	25	33	8	4.46
KNC170021	335659.05	6639344.75	433.98	94	-60	090	82	83	1	1.09
KNC170022	335647.17	6639329.94	434.90	108	-60	090				NSA

Intersection for drilling is Au >= 1.00g/t Au, minimum 2m internal dilution, minimum 1m downhole reported.

Intersections >= 10 gram-metres are in **bold**.

NSA no significant assay

**JORC Code, 2012 Edition – Table 1 – NERRIN NERRIN**  
**Section 1 Sampling Techniques and Data**

<b>Criteria</b>	<b>JORC Code explanation</b>	<b>Commentary</b>
<b>Sampling techniques</b>	<ul style="list-style-type: none"> <li><i>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.</i></li> <li><i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></li> <li><i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>All RC recovered samples were collected and passed through a cone splitter. Where the original 1m samples were not collected, 4m composite samples were collected by spear sampling individual 1m intervals.</li> <li>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 collected. The sample is weighed at the laboratory to ensure assayed samples are of a similar size and as a check on the sampling system. The cyclone and cone splitter are kept clean by regular air and manual cleaning.</li> <li>The sample sent to an accredited Au assay laboratory, 2.5kg – 3.5kg, is pulverised in a single step process to produce a 40g charge for fire assay. Only gold is assayed for using industry standard fire assay techniques.</li> </ul>
<b>Drilling techniques</b>	<ul style="list-style-type: none"> <li><i>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).</i></li> </ul>	<ul style="list-style-type: none"> <li>RC drilling (industry standard Schramm RC with cyclone attached) system employed the use of a face sampling hammer and a nominal 146mm diameter drill bit.</li> </ul>
<b>Drill sample recovery</b>	<ul style="list-style-type: none"> <li><i>Method of recording and assessing core and chip sample recoveries and results assessed</i></li> <li><i>Measures taken to maximise sample recovery and ensure representative nature of the samples</i></li> <li><i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>All EXG 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 10<sup>th</sup> metre is collected in a plastic bag and these are weighed when they are utilized for the collection of field duplicate samples. All samples received by the laboratory are weighed with the data collected and stored in the database.</li> <li>EXG RC samples are visually logged for moisture content, sample recovery and contamination. This 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.</li> <li>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. Good drilling conditions were encountered and the samples are believed to be representative of their interval</li> </ul>
<b>Logging</b>	<ul style="list-style-type: none"> <li><i>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.</i></li> <li><i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i></li> <li><i>The total length and percentage of the relevant intersections logged.</i></li> </ul>	<ul style="list-style-type: none"> <li>All EXG RC samples are geologically logged directly into hand-held Geobank devices. The logging uses defined codes and includes features such as grain size, weathering, rock type and hardness amongst others.</li> <li>Logging is qualitative and quantitative (ie estimate %sulphide minerals) in nature.</li> <li>The entire lengths of EXG 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.</li> </ul>
<b>Sub-sampling</b>	<ul style="list-style-type: none"> <li><i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></li> </ul>	<ul style="list-style-type: none"> <li>The drilling was RC drilling.</li> </ul>

<p><b>techniques and sample preparation</b></p>	<ul style="list-style-type: none"> <li>• <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></li> <li>• <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></li> <li>• <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></li> <li>• <i>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.</i></li> <li>• <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></li> </ul>	<ul style="list-style-type: none"> <li>• All EXG RC samples are put through a cone splitter and the sample is collected in a unique pre-numbered calico sample bag. The estimated moisture content of each sample is recorded in the database.</li> <li>• The EXG 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. This is a standard technique for sample preparation and is appropriate.</li> <li>• The 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.</li> <li>• EXG RC samples submitted to the laboratory are sorted and reconciled against the submission documents. EXG 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.</li> <li>• In the field every 10<sup>th</sup> 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.</li> <li>• The results of this field duplicate process are yet to be completed.</li> <li>• 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.</li> </ul>
<p><b>Quality of assay data and laboratory tests</b></p>	<ul style="list-style-type: none"> <li>• <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></li> <li>• <i>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.</i></li> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• EXG has routinely used local Kalgoorlie Certified Laboratories for all sample preparation and analysis. The most commonly used laboratories have been SGS Australia and Bureau Veritas Australia which has two facilities in Kalgoorlie. These samples were assayed for gold by Bureau Veritas in Kalgoorlie.</li> <li>• No geophysical or handheld instruments were used.</li> <li>• The assay method is designed to measure total gold in the sample. The laboratory procedures are appropriate for the testing of gold at this project given its mineralization style. The technique involves using a 40g sample charge with a lead flux which is decomposed in a furnace with the prill being totally digested by 2 acids (HCl and HNO<sub>3</sub>) before measurement of the gold content by an AA machine.</li> <li>• 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.</li> <li>• EXG 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 EXG 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.</li> </ul>
<p><b>Verification of sampling and assaying</b></p>	<ul style="list-style-type: none"> <li>• <i>The verification of significant intersections by either independent or alternative company personnel.</i></li> <li>• <i>The use of twinned holes.</i></li> <li>• <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> <li>• <i>Discuss any adjustment to assay data.</i></li> </ul>	<ul style="list-style-type: none"> <li>• No independent verification of significant intersections has been undertaken. Company geologists have reviewed the assay information and it conforms to where gold is expected from the logging data.</li> <li>• None of these drill holes have been twinned.</li> <li>• Primary data is sent digitally every 2-3 days from the field to EXG'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.</li> <li>• No adjustments or calibrations were made to any assay data used in this report.</li> </ul>
<p><b>Location of data points</b></p>	<ul style="list-style-type: none"> <li>• <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole</i></li> </ul>	<ul style="list-style-type: none"> <li>• All drill holes have their collar location recorded by surveyors using a RTK GPS system. EXG holes have downhole surveys completed</li> </ul>



	<p>surveys), trenches, mine workings and other locations used in Mineral Resource estimation</p> <ul style="list-style-type: none"> <li>• Specification of the grid system used</li> <li>• Quality and adequacy of topographic control.</li> </ul>	<p>every 30m downhole. No detailed down hole surveying information is available for the historic RC or DD drilling.</p> <ul style="list-style-type: none"> <li>• EXG routinely contracted down hole surveys during the programmes of exploration drilling for each RC and DC drill hole completed using either digital electronic multi-shot tool or north seeking gyro, both of which are maintained by Contractors to manufacturer specifications.</li> <li>• 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.</li> </ul>
<b>Data spacing and distribution</b>	<ul style="list-style-type: none"> <li>• Data spacing for reporting of Exploration Results.</li> <li>• 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.</li> <li>• Whether sample compositing has been applied.</li> </ul>	<ul style="list-style-type: none"> <li>• The nominal exploration drill spacing is 30m x 15m with some cross sections filled to 10m. This spacing includes data that has been verified from previous exploration activities on the project</li> <li>• 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 and is appropriate for the nature and style of mineralisation being reported.</li> <li>• The majority of holes were sampled at 1m, but when this isn't the case, sample compositing to 4m has been applied.</li> </ul>
<b>Orientation of data in relation to geological structure</b>	<ul style="list-style-type: none"> <li>• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>• 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.</li> </ul>	<ul style="list-style-type: none"> <li>• The majority of drilling is to grid east. The bulk of the mineralized zones are perpendicular to the drilling direction, striking north-south and dipping steeply to the west. Field mapping and geophysical interpretations supports the drilling direction and sampling method.</li> <li>• No drilling orientation and sampling bias has been recognized at this time.</li> </ul>
<b>Sample security</b>	<ul style="list-style-type: none"> <li>• The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>• RC samples are delivered directly from the field to the Kalgoorlie laboratory by EXG personnel on a daily basis with no detours, the laboratory then checks the physically received samples against an EXG generated sample submission list and reports back any discrepancies</li> </ul>
<b>Audits or reviews</b>	<p>The results of any audits or reviews of sampling techniques and data.</p>	<ul style="list-style-type: none"> <li>• No external or third party audits or reviews have been completed.</li> </ul>

## Section 2 Reporting of Exploration Results Nerrin Nerrin

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<b>Mineral tenement and land tenure status</b>	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>The results reported in this Announcement are on granted Mining tenements held by GPM Resources Pty Ltd, a wholly owned subsidiary of Excelsior Gold Limited. The tenements drilled on are M24/348 and M24/532. Paddington Gold Pty Ltd has the first right to treat ore.</li> <li>At this time the tenements are believed to be in good standing with no known impediments to exist.</li> </ul>
<b>Exploration done by other parties</b>	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>Exploration by other parties has been reviewed and is used as a guide to EXG's exploration activities. Previous parties have completed underground mining, geophysical data collection and interpretation, soil sampling and drilling. This report only comments on exploration results collected by EXG.</li> </ul>
<b>Geology</b>	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>The primary gold mineralisation at Nerrin Nerrin is predominantly associated with a dolerite unit and associated structures. The gold mineralisation is associated with quartz, carbonate, sulphide alteration.</li> <li>Whilst structure and primary gold mineralisation can be traced to the surface, depletion has occurred in the top 10-20m</li> <li>Historical working and shafts exist within the area, detailed mapping and sampling of these workings and structural measurements assists with the geological interpretation.</li> </ul>
<b>Drill hole Information</b>	<ul style="list-style-type: none"> <li>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: <ul style="list-style-type: none"> <li>easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> <li>hole length.</li> </ul> </li> <li>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.</li> </ul>	<ul style="list-style-type: none"> <li>See Table 2 above in this report.</li> <li>No results from previous unreported exploration are the subject of this announcement</li> </ul>
<b>Data aggregation methods</b>	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>No high grade cuts have been applied to assay results. RC assay results are distance weighted using 1m for each assay, or 4m if it is a composite sample.</li> <li>Intersections are reported if the interval is at least 1m wide at 1.0g/t Au grade or for composite samples greater than 1.0 g/t Au. Intersections greater than 1m in downhole distance can contain up to 2m of low grade or barren material.</li> <li>No metal equivalent reporting is used or applied.</li> </ul>
<b>Relationship between mineralisation widths and intercept lengths</b>	<ul style="list-style-type: none"> <li>These relationships are particularly important in the reporting of Exploration Results.</li> <li>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>If it is not known and only the down hole lengths are reported, there should be a</li> </ul>	<ul style="list-style-type: none"> <li>The intersection width is measured down the hole trace and does not correspond to the true width. The cross sections in this report demonstrate the relationship between true width and downhole width to be viewed.</li> <li>Data collected from historical workings and existing shafts show the primary ore zones to be sub-vertical in nature with a general northerly strike.</li> <li>See first point in this subsection.</li> </ul>

	<i>clear statement to this effect (e.g. 'down hole length, true width not known').</i>	
<b>Diagrams</b>	<ul style="list-style-type: none"> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• See Figures 1, 2, 3 in this report.</li> </ul>
<b>Balanced reporting</b>	<ul style="list-style-type: none"> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Report details all holes drilled. Highlighted intervals are at least 1m wide at 1.0g/t Au grade or for composite samples greater than 1.0 g/t Au. Intersections greater than 1m in downhole distance can contain up to 2m of low grade or barren material. The grades and widths chosen to report are appropriate for this mineralisation.</li> </ul>
<b>Other substantive exploration data</b>	<ul style="list-style-type: none"> <li>• <i>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.</i></li> </ul>	<ul style="list-style-type: none"> <li>• No other exploration data is considered meaningful and material to this announcement</li> </ul>
<b>Further work</b>	<ul style="list-style-type: none"> <li>• <i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></li> <li>• <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Future exploration has not been planned and may involve the drilling of more drill holes, both DC and RC, to further extend the mineralised zones and collect additional detailed data on known mineralised zones.</li> <li>• Further future drilling areas are not highlighted as they are not yet planned.</li> </ul>