

**Centennial Mining
Limited**
ABN 50 149 308 921
ASX: CTL

Investment Highlights:

A1 Gold Mine

Operating mine site including underground development and infrastructure

Mineral Resources in accordance with the JORC Code (2012)

Indicated – 250,000 t @ 5.1 g/t for 41,200 oz Au

Inferred – 1,170,000t @ 6.4 g/t for 240,000 oz Au

Maldon Gold Operations

Operational 120 - 150,000tpa gold processing facility, Union Hill Mine, including underground development & infrastructure

Executive Chair

Dale Rogers

Non-Executive Directors

Jamie Cullen
Anthony Gray

Company Secretary

Dennis Wilkins

Capital Structure:

705,444,920 Ordinary Shares
288,557,631 Listed Options
82,000,000 Unlisted Options
71,428,565 Convertible Notes

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ASX Release – 12 October 2017

Processing of Union Hill Underground Material Commences

- **Development at the Union Hill Underground Gold Mine has reached the Alliance South Shoot**
- **First run-of-mine from the 1060 Level strike drive being fed into the Porcupine Flat Mill this week**

Centennial Mining Limited (ASX: CTL) (**Centennial** or the **Company**) is pleased to announce that mechanised development has reached the Alliance South mineralisation on the 1060 level at its 100% owned Union Hill underground gold mine in Victoria (**Union Hill Mine**).

The first trial parcel of approximately 700 tonnes of material from the 1060 level was trucked to the Porcupine Flat Processing Facility earlier this week and milling of that parcel commenced yesterday. This material is a trial parcel to assess the grade of the lower grade area first intersected by development.

Commenting on this achievement, Centennial's Executive Chair, Dale Rogers, said:

"Our aim is to continue adding to our portfolio of operating mines to ensure our targeted production profile is achieved, if not exceeded, and to reduce the risks of being a single mine Company. The Union Hill Mine is the closest ore source to our processing facility and was commenced using the Company's existing mining fleet, to reduce capital costs. Developing the decline down to the 1060 level in such a relatively short period of time is a credit to the maintenance and operating team at Union Hill."

Mr Rogers added, *"We set a lofty goal to have the Union Hill Mine producing early in the September Quarter. With it now producing we look forward to the improved flexibility of several ore sources in the December Quarter."*

Background

Centennial holds mining licence MIN5146 which covers the historic Maldon Goldfield in Central Victoria. (Figure 1). The Maldon Goldfield had historic gold production of 1.47 million ounces from 1854 to 1920. The Eaglehawk Reef (shear zone) was one of the major producers with gold production of 491,400 oz between 1854 and 1911. The Alliance South is the most southerly shoot on the Eaglehawk Reef. The Alliance South Shoot is a steeply dipping shear zone with quartz veining that hosts gold mineralisation.

Octagonal Resources Ltd completed a decline access from the Union Hill open cut to the Alliance South Shoot and in 2014/15 developed the interpreted top of the shoot on the 1100 and 1080 levels at. Following a structural re-interpretation of the area, the Company is now looking to develop the Alliance Shoot below the 1080 level.

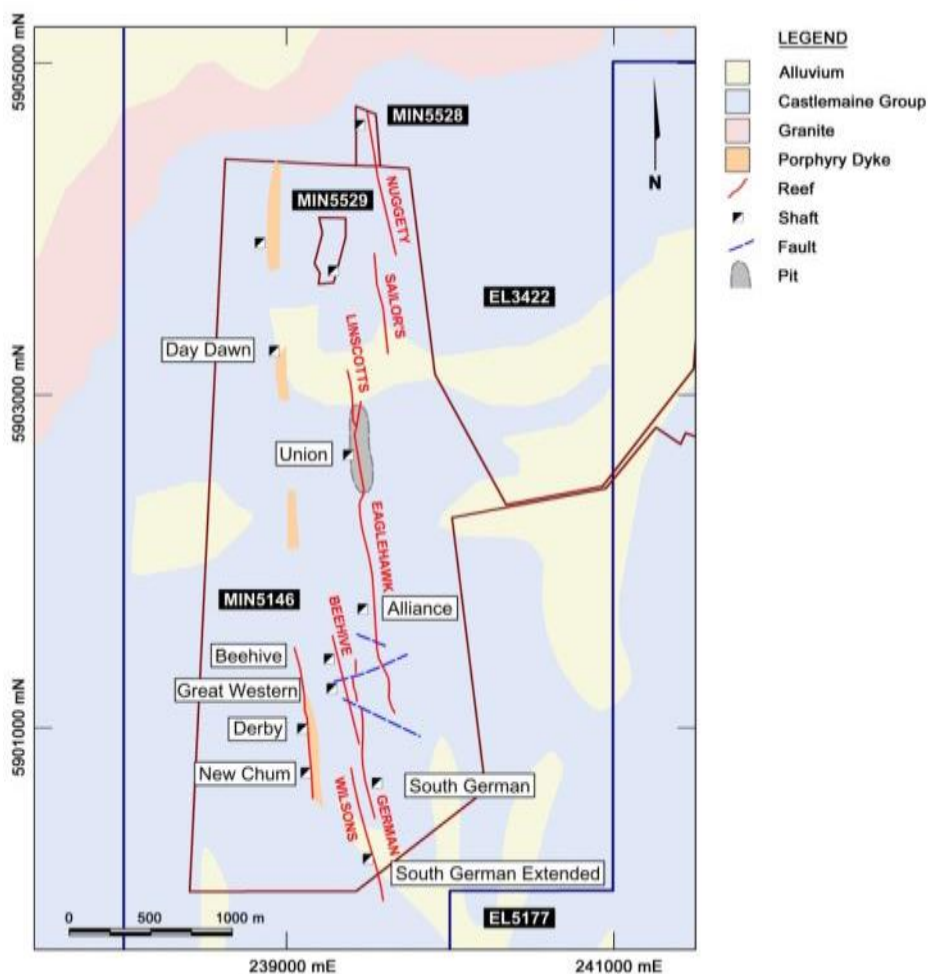


Figure 1: The Geology of the Maldon Goldfield with locations of major gold producing reefs

Mining

Prior to commencing mechanised development commencing at the Union Hill Mine there were almost two months were spent refurbishing the Mine's support networks and systems including electrical and ventilation, check scaling and re-entry of the workings, pumping, re-installation of the explosives magazine and refurbishing the old mining equipment at the site. This work commenced late in the March Quarter.

Development of the main Decline from approximately the 1080 level commenced at the Union Hill Mine mid-way through the June Quarter after several weeks delay waiting for the necessary approvals to recommission the underground explosives magazine.

To reduce the capital cost of these works much of the old mining equipment at the Union Hill Mine was recommissioned and supplemented by second-hand equipment purchased several months ago. All spare or

backup machinery from the A1 Gold Mine was also transferred to the Union Hill Mine early in the Quarter. While this machinery has fulfilled its purpose, some of the older mining equipment has negatively impacting on development rates and will require replacement as cashflow permits. Despite these obstacles the mining and maintenance teams did manage to reach the objective of the 1060 level strike drive by the end of the June Quarter.

Figure 2, below, shows the design of the first three stoping levels at the Union Hill Mine on the 1060, 1040 and 1020 levels. The run-of-mine trucked to the Porcupine Flat Processing Facility to date is from where the Alliance South Shoot was intersected at right angles by the 1060 Level waste cross cut from the Decline (orange). The Company will now, over the next several months, develop the 1060 Level by strike driving on the Alliance South structure to the north and south (yellow) and installing rises as a second means of egress and for ventilation.

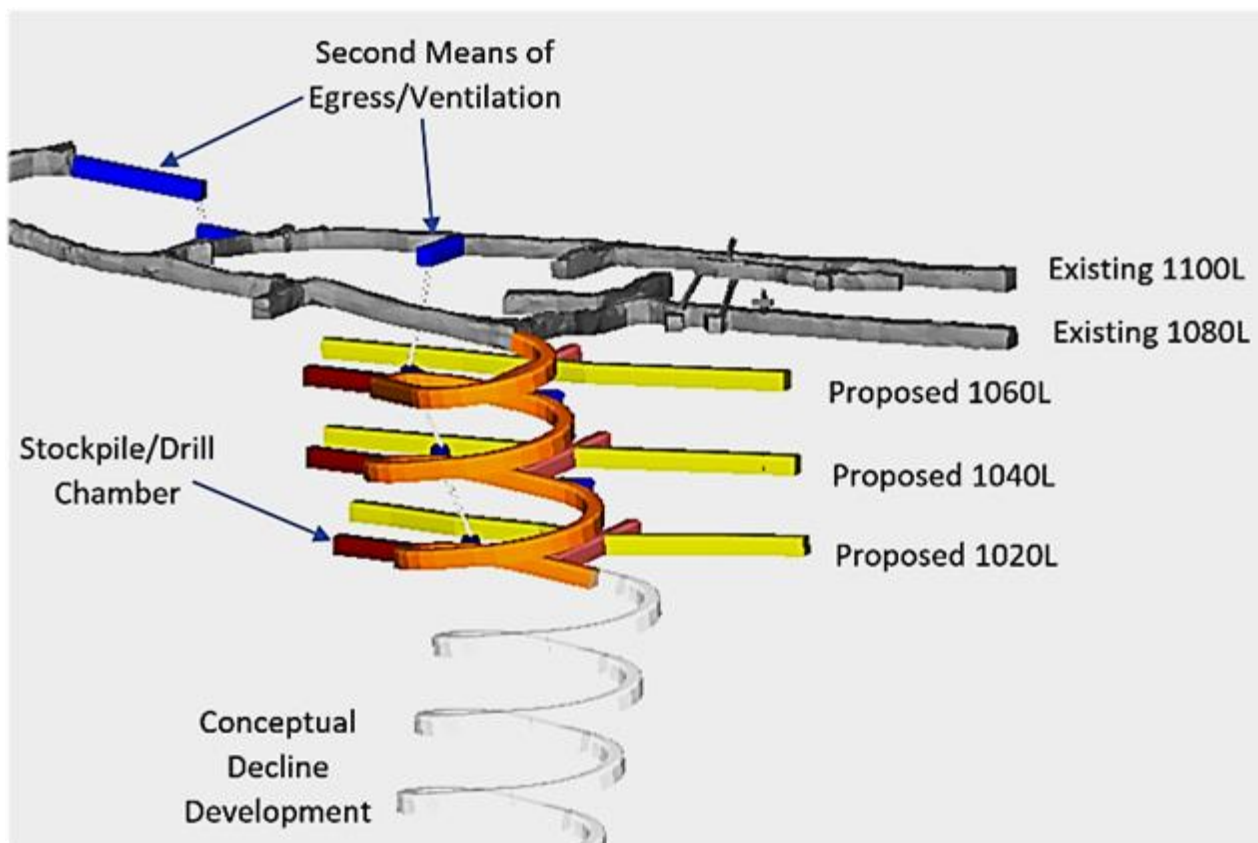


Figure 2: Long Section (Looking East) of Union Hill Mine showing existing Decline, 1100 and 1080 Level strike Drives (Grey). Decline Design (orange) and design of the first three strike drives (yellow) on the 1060, 1040 and 1020 Levels

The intersection in the 1060 cross cut is in a lower grade portion of the shoot and is being milled as a trial to verify the sampled face grades. Typically, the mineralisation is between 1m and 3.5m in width. Strike driving on the 1060 Level will enable the higher grade areas of the shoot to be identified and selectively mined using narrow long hole stopes.



Figure 2: Photograph of the first development to intersect the Alliance South shear. 1060 Cross cut developed due East from the Decline (30m to the right of picture) to intersect the Shear at 90 degrees



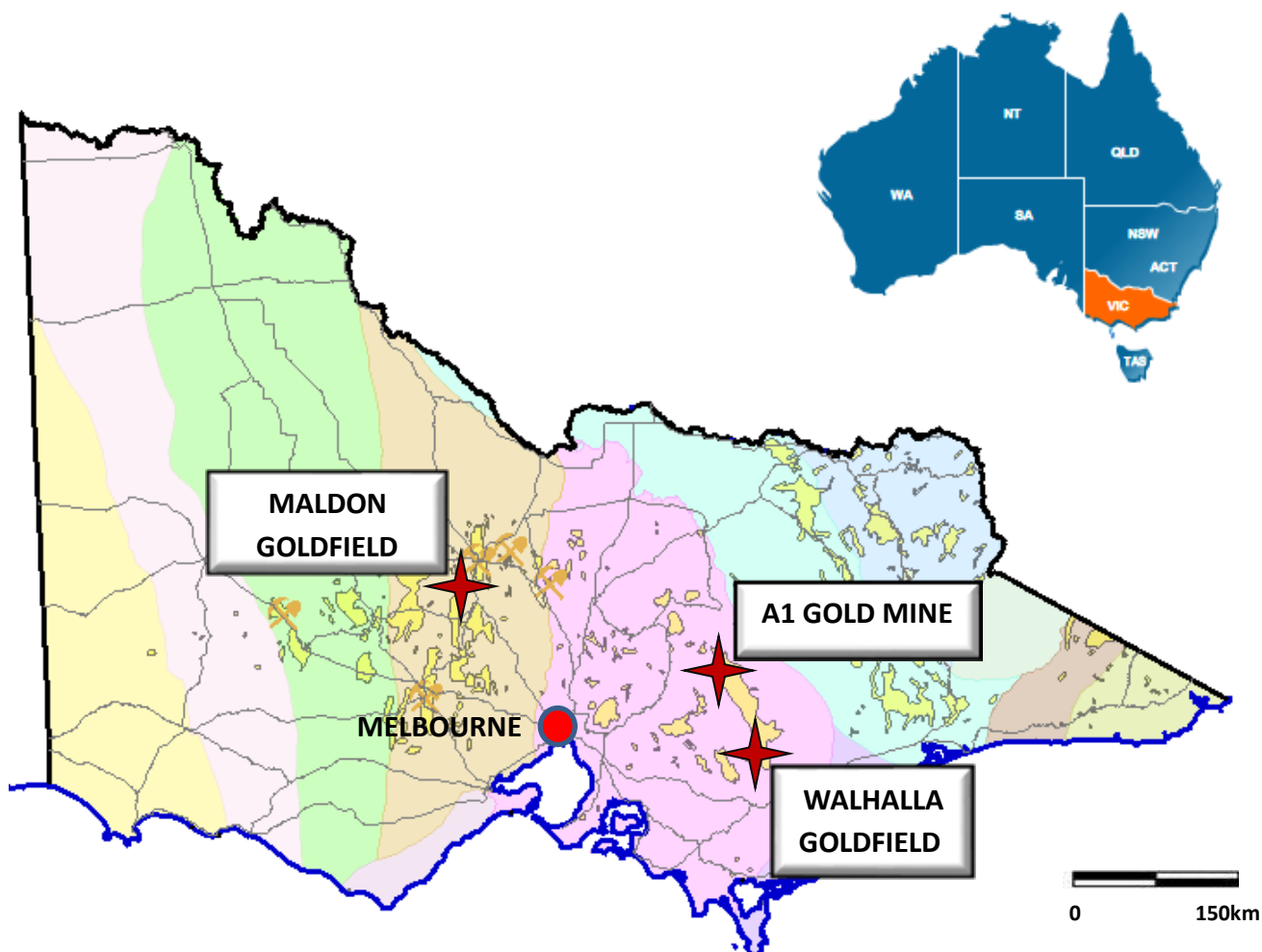
Figure 3: Photograph of Alliance South Shoot in face of 1060 Level strike drive, looking South

About the Company

Centennial Mining Limited is an emerging junior Victorian gold producer that is developing and producing from the A1 Gold Mine near Woods Point, Victoria. Ore mined from the A1 Gold Mine is trucked to the Company's fully permitted and operations processing facility at Porcupine Flat, near Maldon.

The Company also owns the Union Hill Underground Mine at Maldon, which is presently being developed, and has entered into an agreement to acquire the Eureka and Tubal Cain deposits¹ near Walhalla.

Location of Projects



Note 1. Refer to Orion Gold NL (ASX: ORN) ASX Announcements dated 11 August 2015 and 30 December 2015. The acquisition of the Licence by the Company is subject to the grant of consents required under the Mineral Resources (Sustainable Development) Act and the terms of the Agreement.

Caution Regarding Forward Looking Information

This document may contain forward looking statements concerning Centennial Mining Limited. Forward looking statements are not statements of historical fact and actual events and results may differ materially from those described in the forward looking statements as a result of a variety of risks, uncertainties, and other factors. Forward looking statements are inherently subject to business, economic, competitive, political, and social uncertainties and contingencies. Many factors could cause the Company's actual results to differ materially from those expressed or implied in any forward looking information provided by the Company, or on behalf of, the Company. Such factors include, among other things, risks relating to additional funding requirements, metal prices, exploration, development and operating risks, competition, production risks, regulatory restrictions, including environmental regulation and liability and potential title disputes. Forward looking statements in this document are based Centennial Mining's beliefs, opinions and estimates of Centennial Mining's as of the dates the forward looking statements are made, and no obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future development.