



ASX Release

6 July 2016

MANTLE CONSOLIDATES POSITION AT MORNING STAR GOLD MINE

Mantle Mining Corporation Limited (ASX: MNM and MNMOC) ('Mantle' or 'the Company') is pleased to provide the following update of activities in relation to its recently acquired 95% interest in Morning Star Gold NL, (previously ASX: MCO, now delisted):

Highlights:

- On 1 July 2016, Mantle made the second (\$1million) cash payment to the vendor of Morning Star Gold NL. This payment removes a security interest held over Mantle with the two remaining payments to complete the acquisition, being \$1million each, due end October 2016 and end February 2017.
- The Morning Star gold mine is located in the historic Walhalla to Woods Point gold field of eastern Victoria. The mine assets acquired include a fully refurbished shaft, rehabilitated access to initial production areas, complete supporting infrastructure and an as new gold processing plant. This plant is the only processing plant on the entire gold field.
- In addition, MCO has recently submitted an application for a major exploration licence over the remaining northern extent of the gold field. The application has been accepted by the relevant authority with no competing applicants (Figures 1 and 2).
- Mantle notes and congratulates A1 Consolidated Gold (ASX: AYC) on recently announced high grade, thick drilling results in the A1 gold mine (see AYC ASX Release 4th July 2016: "High Grade Results Phase 1 – Drilling Campaign"). The A1 Gold Mine is located immediately north of the Morning Star gold mine.
- Mantle's interests in the historic Morning Star, Rose of Denmark and Wallaby mines represent the only other gold mines on the northern portion of the gold field currently held on Mining Licences and in evaluation, preparation or run up to an operational state.
- In parallel with its priority run into production activities at the Norton Gold mine in Queensland, Mantle is undertaking ongoing detailed preparations for a return to production of the Morning Star Gold Mine (see MNM ASX Release 30 May 2016 "Update on Progress for Morning Star Gold Mine).

Mantle's Managing Director Ian Kraemer noted; "The dyke based gold systems epitomised by the Walhalla, Morning Star and A1 gold mines led to the field being one of the premier gold production areas in Australia in the late 1950's. The grades and thicknesses announced by A1 Gold earlier this week highlight yet again the tenor of mineralisation typical of these bonanza type gold systems. Mantle's newly acquired Morning Star gold mine represents a major opportunity to deliver similar outcomes and the Company is targeting a restart of mine production in 2017".

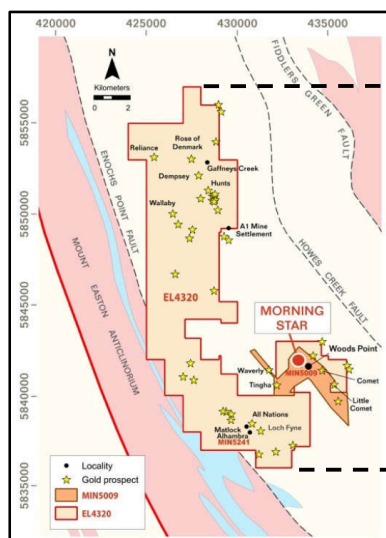


Figure 1: MCO Tenements.

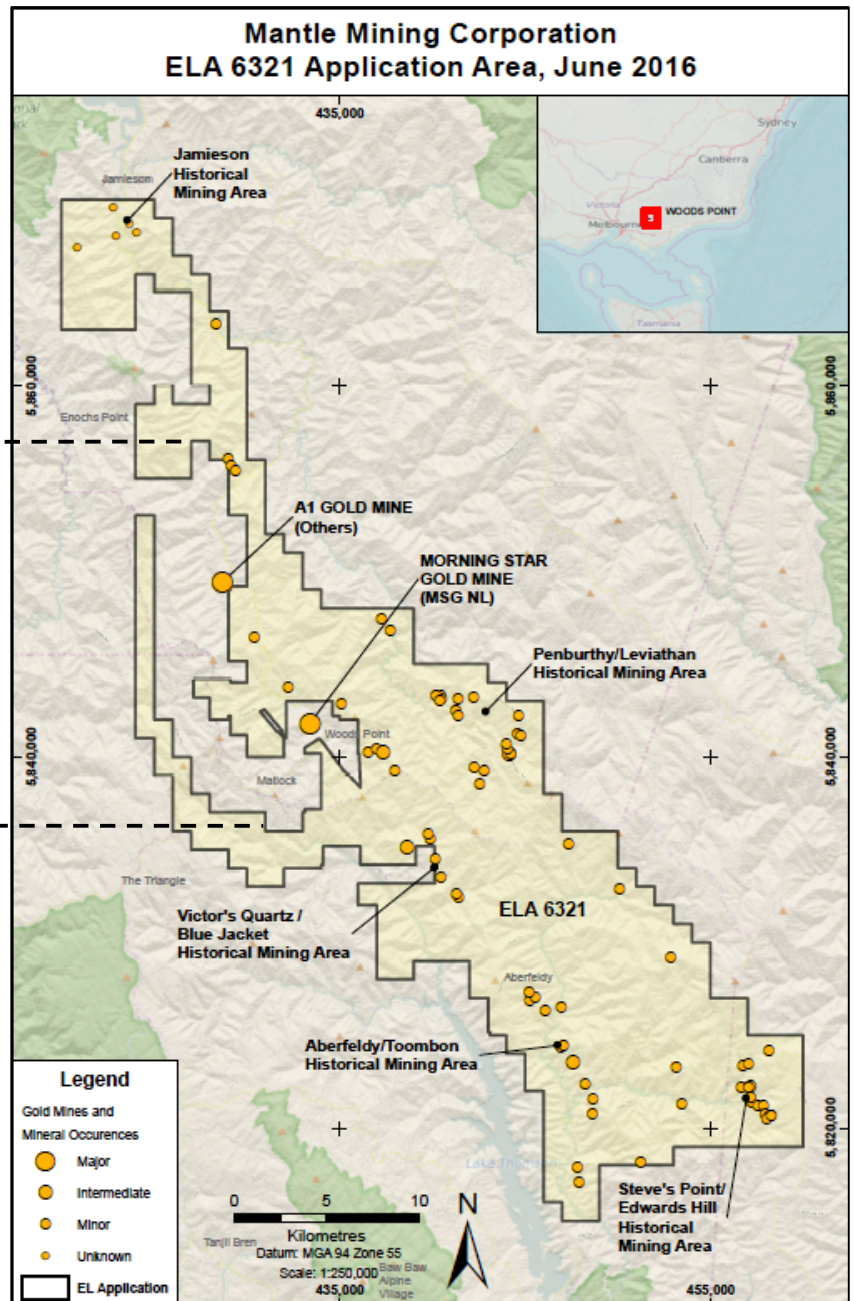


Figure 2: New Exploration Licence Application area.

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