



September 2010 Quarterly Activities Report

Castlemaine Goldfields Limited (CGT) reports activities for the September quarter highlighted by:-

- The appointment of Matthew Gill as MD & CEO, and Mark Davies as Surface and Processing Manager. Gary Scanlan, the outgoing MD & CEO, remains on the Board as a director.
- Successful underground exploration drill results at Ballarat:-
 - Completion of drilling into the Lower Llanberris resource target with better than expected possible tonnages and grade,
 - Definition of high grade lode targets within the Britannia – Mako Fault Zone mineralisation, and
 - High grade intersections from drilling into the parallel Sulieman Line of mineralisation.
- Although the planned exploration program is incomplete, results to date give confidence that a resumption of mine development is likely to occur in the first quarter of next year.
- Asset sales of surplus Ballarat mining equipment totaling \$1.7M.
- Depth extension to the Nick O' Time mineralisation beneath the old mine at Tarnagulla, and
- Initial drill tests for 2 of the 3 priority projects at the Castlemaine goldfield.

In May of this year, CGT acquired the Ballarat project comprising a complete tenement package, a world class gold processing plant, store's inventory, mining and drilling equipment and substantial mine development in a state of care and maintenance. The transition has been seamless, has been done safely, and with the dedicated support of a small care and maintenance team and technical staff.

Diamond drilling commenced immediately at the northern end of the Ballarat East goldfield, and had completed over 12,000 metres of a planned 14,000 metre drilling program up to 30 September 2010. This 9 month program is ahead of budget, and has delivered positive results from the drilling of the Lower Llanberris target.

Importantly, the remaining part of the current exploration program is now focused upon defining new large scale gold resources in the adjacent Britannia compartment where only scant drilling from surface has occurred. Encouraging results have been received to date from this part of the underground drilling program, and this has allowed the early commencement of preliminary mine design and scheduling activities. A full evaluation and decision to re-start will occur once all the results are received during the fourth quarter of 2010.

Managing Director Mr. Matthew Gill commented "Castlemaine Goldfields now has two of the three most productive Victorian goldfields under the one owner, providing exciting growth opportunities. The smooth ownership transition, with no surprises on site at Ballarat, coupled with the positive drilling results to date, have allowed us to commence mining planning studies – completing this work is a key focus over coming months."

Additional information on can be found at www.cgt.net.au .

For further details contact Matthew Gill on 0437 315 901

Castlemaine Goldfields Limited holds significant exploration titles encompassing four substantial goldfields in Central Victoria. The primary focus is to return the Ballarat Gold project to production at a targeted annual rate of approximately 50,000 ounces per year by the end of 2011. It is anticipated that a similar rate of gold production could follow sourced from the Castlemaine goldfield. Substantial synergies will be gained from combining the Ballarat project with existing Central Victorian projects. The inaugural Inferred Resource estimate of 574,000 ounces of gold for the Chewton Deposit at Castlemaine was released in June 2008.

Ballarat Gold Project (100% owned)

The Ballarat district has produced more than 12 million ounces of gold in its history. Of this the Ballarat East goldfield provided about 1.5 million ounces from quartz vein mines. It is at the northern end of this field where CGT has underground mine access and is currently drilling to build a resource inventory sufficient to resume mining and gold production. The company is now 5 months into the planned 9 month \$3M exploration program. The program is ahead of schedule with 12,162 metres of the planned 14,000 drill metres completed and operational efficiencies have allowed additional holes to be added to the program. Results from this exploration are meeting if not exceeding expectations.

Ballarat East – Lower Llanberris Resource Target

Since acquiring the Ballarat operation in May 2010 focus of diamond drilling exploration has been to expand the resource potential, and increase the geological confidence of the Lower Llanberris gold mineralisation. This mineralisation, first identified from deep surface drilling in the 1980's, was broadly known at the time of purchase by CGT and was identified during due diligence as an obvious early economic potential target.

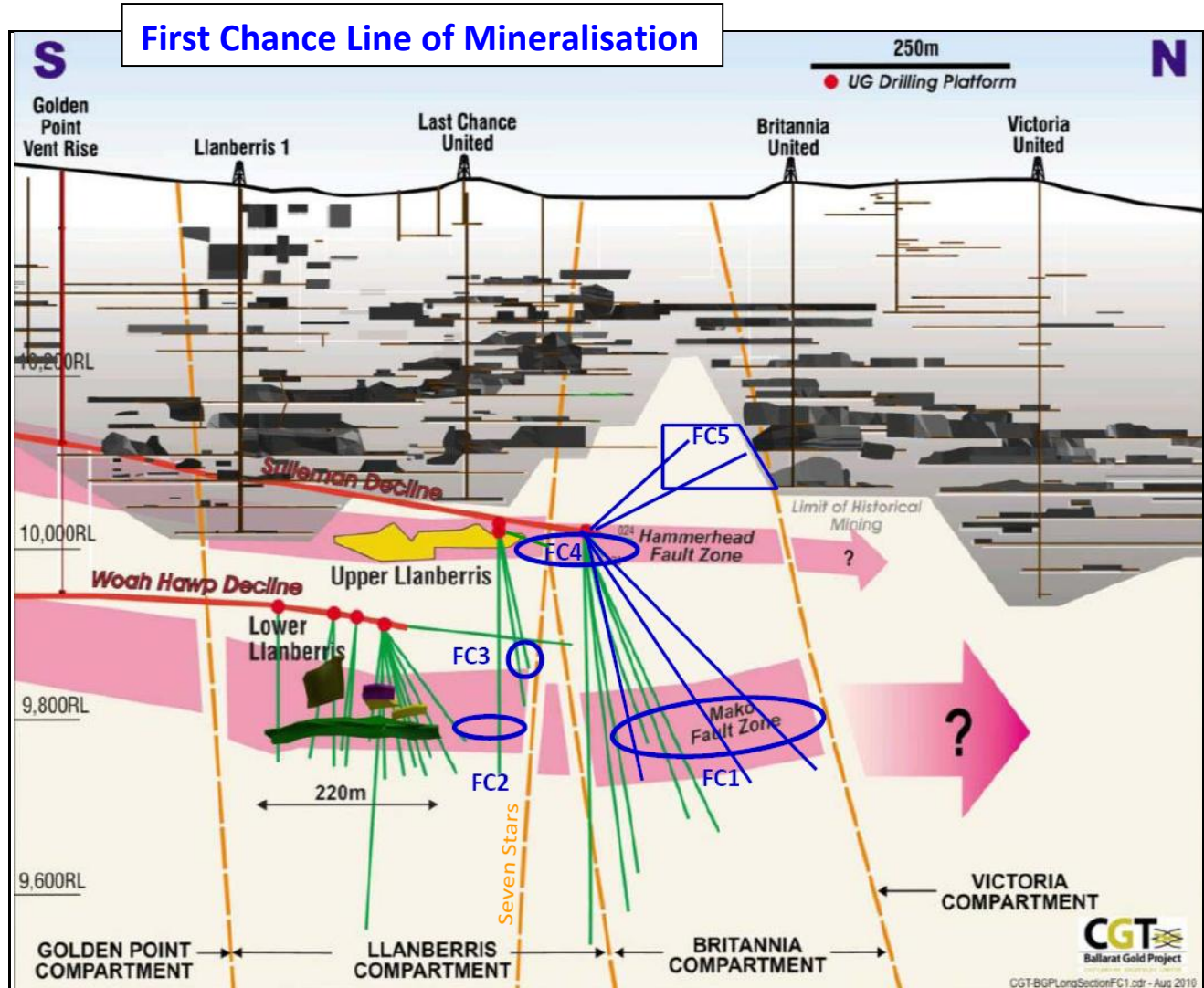


Figure 1. Long section (looking west) of the northern zone of the Ballarat East goldfield with the CGT drill targets in the Llanberris and Britannia compartments. Also shown are the modelled mineralisation shapes for the Lower Llanberris resource target and untested potential further north in the Victoria compartment.

Lower Llanberris drilling is complete with the last hole (CBU047; 7m @ 5.6 g/t Au[†]) validating the “Mako Up-Dip” shape as well mineralised. Studies are now well advanced including review of the geological model. Initial studies meet expectations of greater than a 200,000 tonne target for the combined Lower Llanberris mineralisation. These studies are only aimed to provide data with which a decision to access and mine the mineralisation can be made, rather than to produce a JORC Code Resource for market purposes.

Drilling and geological modelling shows the Mako Fault Zone (MFZ) in **Lower Llanberris** to contain high grades along a footwall fault (Mako Fault) which is continuous across 220 metres of strike. The upper mineralisation which is associated with the Tiger Fault is found as three separated fault controlled lodes. Although the model was refined in the quarter at a number of scales, the gross geological elements remain unchanged from the description given in the June report. Assay results from this mineralisation not previously released are reported in Table 1. Work is now in progress on mine design and feasibility study elements with which to base a decision to develop access into the Lower Llanberris.

Other exploration drilling on the First Chance line of mineralisation included MFZ targets along strike adjacent to the Seven Stars Cross Fault within Llanberris (*FC1 and FC2 labels in Figure 1*), and northern extensions of the Upper Llanberris mineralisation located on both sides of the same Cross Fault (*see FC4 in Figure 1*). Although containing intersections of quartz and gold, little assessment of the economic potential for the later of these targets has occurred, with focus on the larger MFZ targets and Sulieman Line of mineralisation.

A single hole CBU053 has extended the Upper Llanberris mineralisation to the Seven Stars fault with expected quartz style and content and gold assay results (0.5m @ 17.4 g/t, 1.0m @ 2.0 g/t and 4.0m @ 5.4 g/t Au). This mineralisation is easily accessed from an existing cross cut off the Sulieman decline, however exhibits a vein style which can be highly variable. No further drilling of this target is being considered at this time with work to assess the resource potential concentrating on use of underground mapping and sampling data.

Ballarat East – Britannia Compartment Results

At end September a total of 15 holes had been drilled into the Mako Fault Zone (MFZ) within the Britannia compartment on broadly 5 cross sections covering 280 metres of strike potential (*see FC1 in Figure 1 and enlargement in Figure 2*). Hole (CBU056) deviated from it's design course and was terminated before target.

Results from **Britannia-MFZ** continue to intersect gold-bearing quartz veining associated with the MFZ faults, and are similar to the high grade mineralisation known to the south at Lower Llanberris and mined Mako stopes in the Sovereign compartment. The volume of drill intersections is now such that high grade lode targets can be identified in Britannia-MFZ which have lengths equivalent to the Lower Llanberris mineralisation.

In particular, a **reef of massive quartz breccia can now be correlated across 150m** in the Britannia compartment (CBU025 to CBU062 in Figure 3). Best assay results from this breccia reef include 0.3m @ 11.6 g/t Au in CBU025; and in earlier surface holes, 11.7m @ 18.9 g/t Au in BDD004 and 9.3m @ 30.3 g/t Au in BDD004A. The most recent drilling of this zone has found a thicker reef interval in CBU061; 6.0m @ 0.8 g/t Au* (with SFA results awaited) similar to that in the BDD004 intersections, and visible gold within high quartz reef intersections for holes CBU062 and CBU064 (assay results awaited).

Above and up-dip from this massive quartz breccia reef is a **second parallel gold target** occurring as a series of spur veins and associated faulting which is returning very high gold grades over variable widths. Assay results from this upper zone include 1.6m @ 9.4 g/t Au in CBU013, 4.8m @ 6.4 g/t Au in CBU025, and in CBU061 a broader zone comprising 30.2m @ 4.2 g/t Au*. This later interval includes 12.0m @ 8.3 g/t Au and a more focused zone within that of 3.8m @ 21.1 g/t Au* which is most likely to become subject of further resource target drilling. Similar spur vein intervals are reported for holes CBU064 and CBU062 with results awaited. Assay results for all Britannia MFZ intersections not previously reported are listed in Table 2 below.

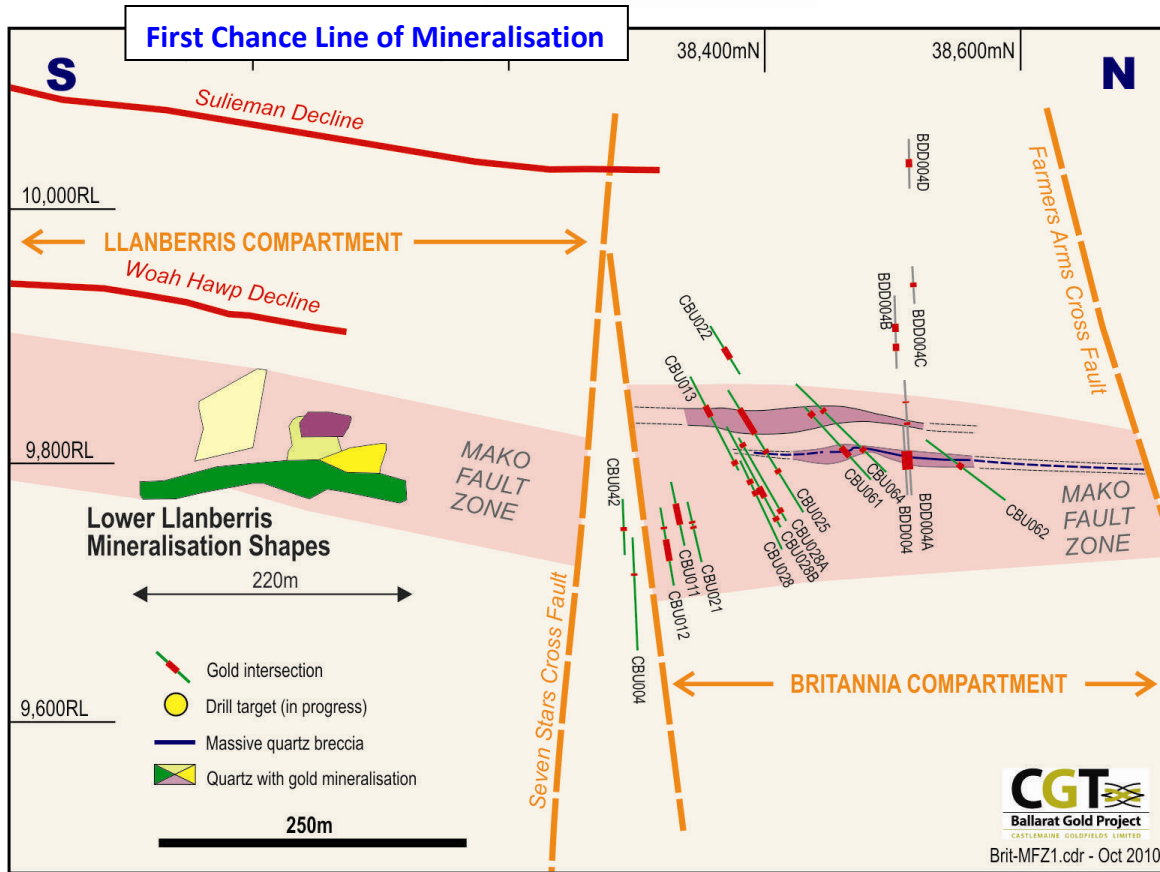


Figure 2. Britannia – Llanberris long projection showing gold intersections within the MFZ in Britannia.

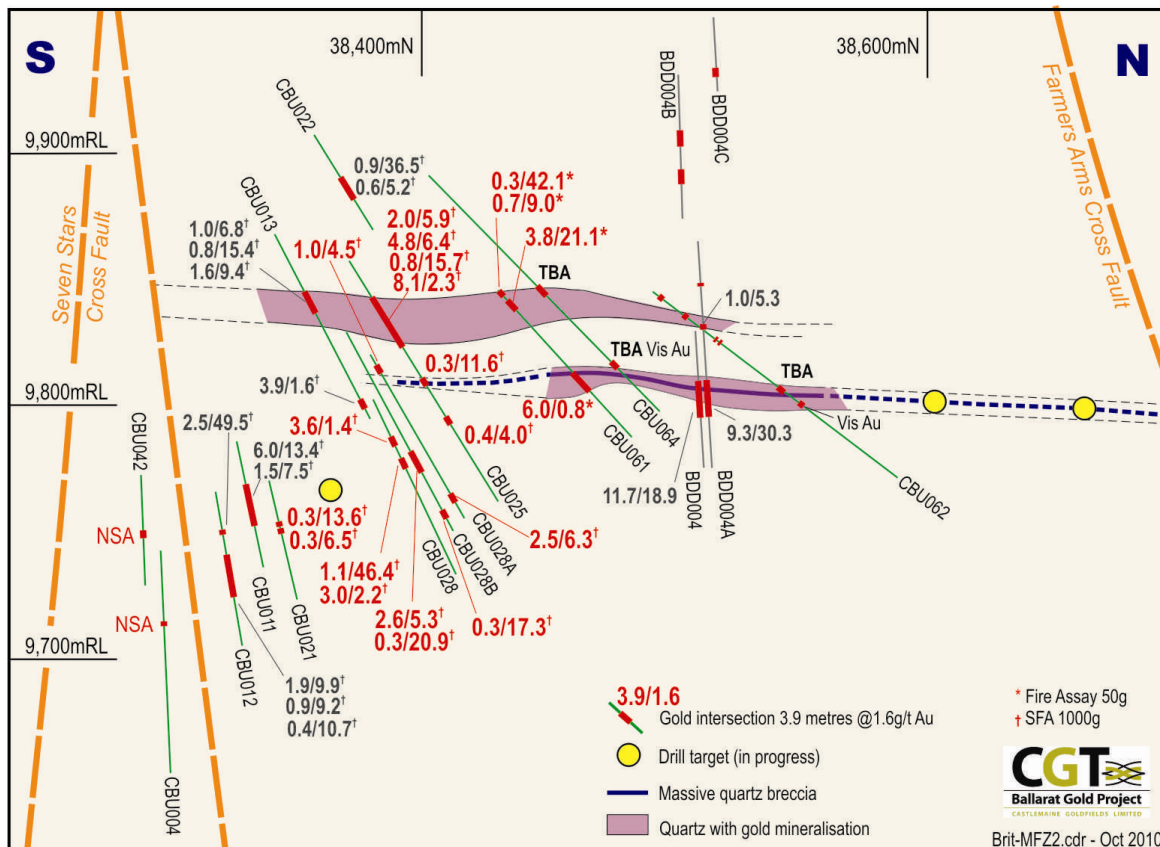


Figure 3. Assay results for Britannia Mako Fault Zone showing target locations for CBU064 and CBU062. Red assay results are those not previously reported, or reported previously as FA50g and now as SFA1000 assay method.

The MFZ mineralisation found in Britannia is open to the north for 130 metres. This area is located directly underneath the largest of the Britannia United mine workings and provides a priority target which warrants the immediate step out drilling - this is in progress.

A further 3 holes (CBU023, CBU024 and CBU041) have been completed at higher levels in the Britannia compartment targeting extensions to the Upper Llanberris mineralisation where the **Hammerhead Fault Zone** intersects the First Chance Line (see FC4 in Figure 1). Gold bearing quartz veining with a vertical orientation was found in holes CBU023 and CBU024 which has confirmed that the mineralisation in the Upper Llanberris continues into Britannia. Similar to Upper Llanberris, this style of mineralisation is given second priority relative to the MFZ with no further holes planned at this time. CBU041 intersected complex fault splays associated with the northern side of the Seven Stars Cross Fault. Assay results for this target are reported in Table 3.

Ballarat East – Sulieman Line Results

Approximately 200 metres to the west of the First Chance line of mineralisation is the Sulieman Line of gold workings and mineralisation. To the south of the goldfield the geological fold which contains the prospective Sulieman eastern limb is relatively small and is a probable reason why no historical workings occurred in this line to the south. However, to the north on this line the Sulieman Pasha mine offers good reason why economic mineralisation can be found. Gold grades from the few shallow mines on the Sulieman line are reportedly higher (~12 g/t Au) yet at lower tonnages than for the First Chance line which averaged about 8.5 g/t Au.

The first holes to be drilled by CGT into the Sulieman Line (*SUL1* in Figure 4) achieved a high success ratio with a number of high grade intersections in targets warranting follow up drilling in the next phase of the exploration program.

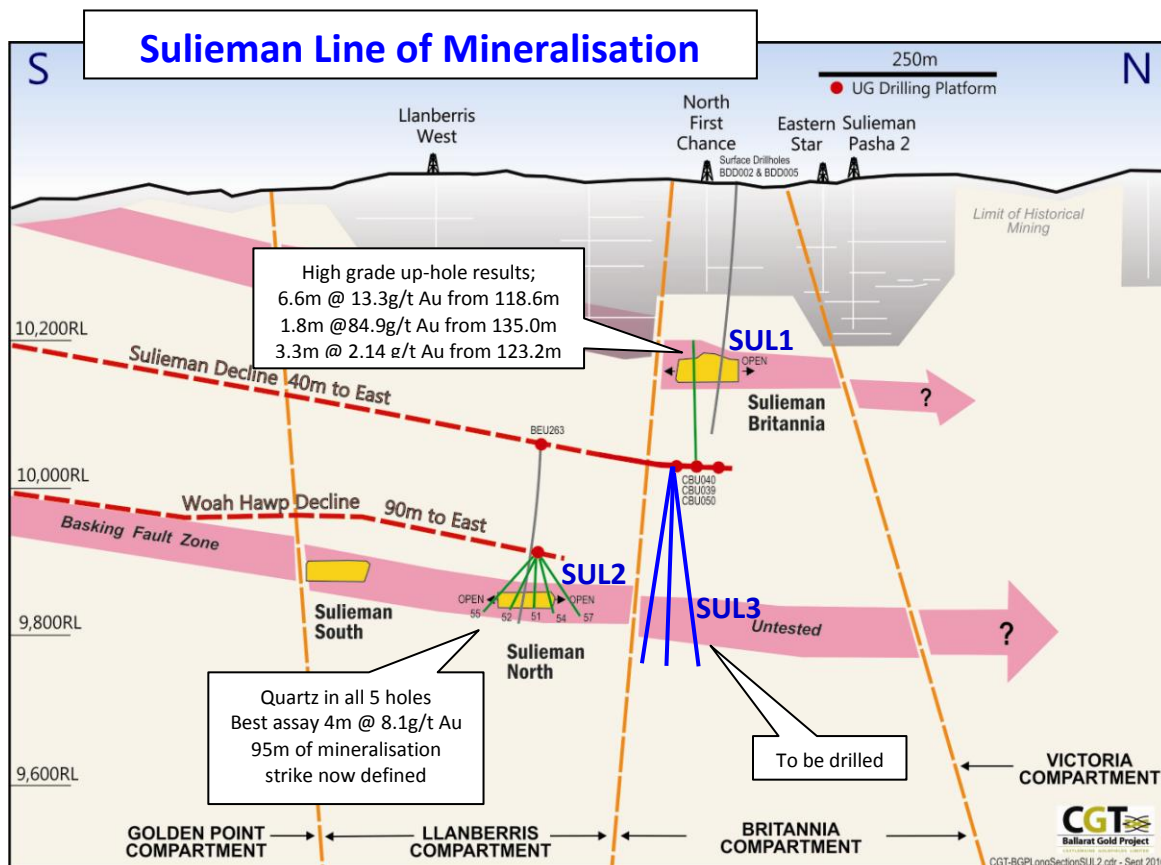


Figure 4. Long section through the Sulieman line of mineralisation (~200m west of Figure 1).

In 2009 Lihir Gold drilled hole BEU263 into the Sulieman line intersecting high quartz volumes, faulting and an assay result of 2m @ 266.8 g/t Au. Follow up drilling during the project sale process failed to intersect appreciable quartz veining either above or below this initial intersection now known as the **Sulieman North** (Llanberris) target (*SUL2 in Figure 4*).

CGT has now drilled five holes (CBU051, 052, 054, 055 and 057) along strike targeting the same structural position as in Lihir hole BEU263. Significant volumes of quartz were found in each at the target depths. The new quartz intersections drilled display similar quartz quantities and features to that drilled in BEU263. Structurally the zone is bounded by the Sulieman Anticline to the west and by the footwall and hanging wall structures of the Basking Fault zone. This same fault zone is associated with gold mineralisation in the Upper Llanberris and historical Last Chance United, Llanberris N^o1, and Britannia United mines at shallower levels.

Preliminary modelling of the **Sulieman North** drilling suggests a strike length of at least 95m with a dip length of approximately 10 to 13 metres. The degree of faulting in this mineralised zone is strong and consistent along strike however gold assays have been moderate to date.

A best assay result of 4.0m @ 8.1 g/t Au[†] from 166.0m, including 1.4m @ 20.2 g/t Au[†] was returned from CBU054. The other intersections along strike achieved intervals about 3 metres in down hole length with gold assays about 3 g/t Au[†] (see *Table 4*).

The Sulieman north target lies 150m west of, and 95m below, the termination of the Woah Hawp decline in a location which would be readily accessed from a shared decline into the Lower Llanberris mineralisation. The continuation of this gold mineralisation into the Britannia compartment will be drilled in the next quarter (*SUL3 in Figure 4*), and follow up exploration for Sulieman North is planned for 2011.

A 3 hole section of 'up-holes' was drilled to test the **Sulieman-Britannia** mineralisation known to exist from historical drilling (1980's) 35 metres to the north of the new section (see *SUL1 in Figure 4*). The first of these, CBU040 contained very high gold assays at the target depth where very coarse gold was found in the core samples (ASX release of 19th August). **Two intersections grading over 100 g/t Au[†] are reported** for CBU040 (see *Table 5 below*). The gold intersections are 35m south of historical intersections and 120 metres to 140 metres above the existing Sulieman Decline.

The second hole, CBU039, drilled to the immediate east of CBU040 is logged with similar quartz vein contents and visible gold. Gold grades from this hole were more modest, between 2 g/t and 5 g/t Au[†], but does evidence that the mineralisation continues up dip to the east.

A third hole on this cross section of diamond drilling was drilled at a flatter inclination (+23°) towards the west to test down dip of intersections in CBU039 & CBU040 and locate the Sulieman anticline fold axis. This hole (CBU050) intersected the anticline axis before the mineralised fault zone without high quartz veining.

The Sulieman-Britannia section has provided confidence that high grade gold mineralisation has strike potential whilst characterizing the degree of quartz veining and gold possible beneath the historical workings. The Sulieman line of mineralisation offers resource potential upside located within ready access of existing mine development.

Castlemaine Project (100% owned)

Diamond drill programs were conducted at 2 of the 3 identified priority targets along the central corridor of the Castlemaine goldfield during the quarter.

The initial program was at **South Wattle Gully** (SWG) approximately 800m to 1400m from the Wattle Gully mine and comprised 4 diamond holes on 3 sections. Two parallel anticline targets exist in this area with the West Wattle Gully fold containing the shallow SWG target. Results do not suggest a significantly large gold resource is likely on the narrow width of the West Wattle Gully fold limb present. No significant gold anomalous

results are reported for the SWG drilling into the shallow West Wattle Gully target. Potential to host more substantially sized gold discoveries on the deeper adjacent Wattle Gully anticline and fault zone still exist and remain to be tested.

Drilling then focused on the **North Quartz Hill** target where a 7 hole program was recently completed.

A new southern cross section comprising 3 diamond holes has been generated about 90 metres south of the last known mineralisation at North Quartz Hill (see Figure 5). Each hole intersected stylolitic quartz veining and faulting at approximately 300m from surface and a deeper set of faults at approximately 440m from surface. From these 3 holes high quartz volumes were found across 1.8 metre to 5.5 metre downhole intervals. Best mineralisation and gold anomalism was returned from the upper set of faults and quartz veining for all holes on the southern section. The highest gold intersection of 1.4m @ 1.82 g/t Au* from 274.0m downhole is located in QHD_005 with all other gold anomalism on section being between 0.2 g/t and 0.5 g/t Au* at the upper faults. More accurate screen fire assay results are awaited for anomalous intervals in this southern section.

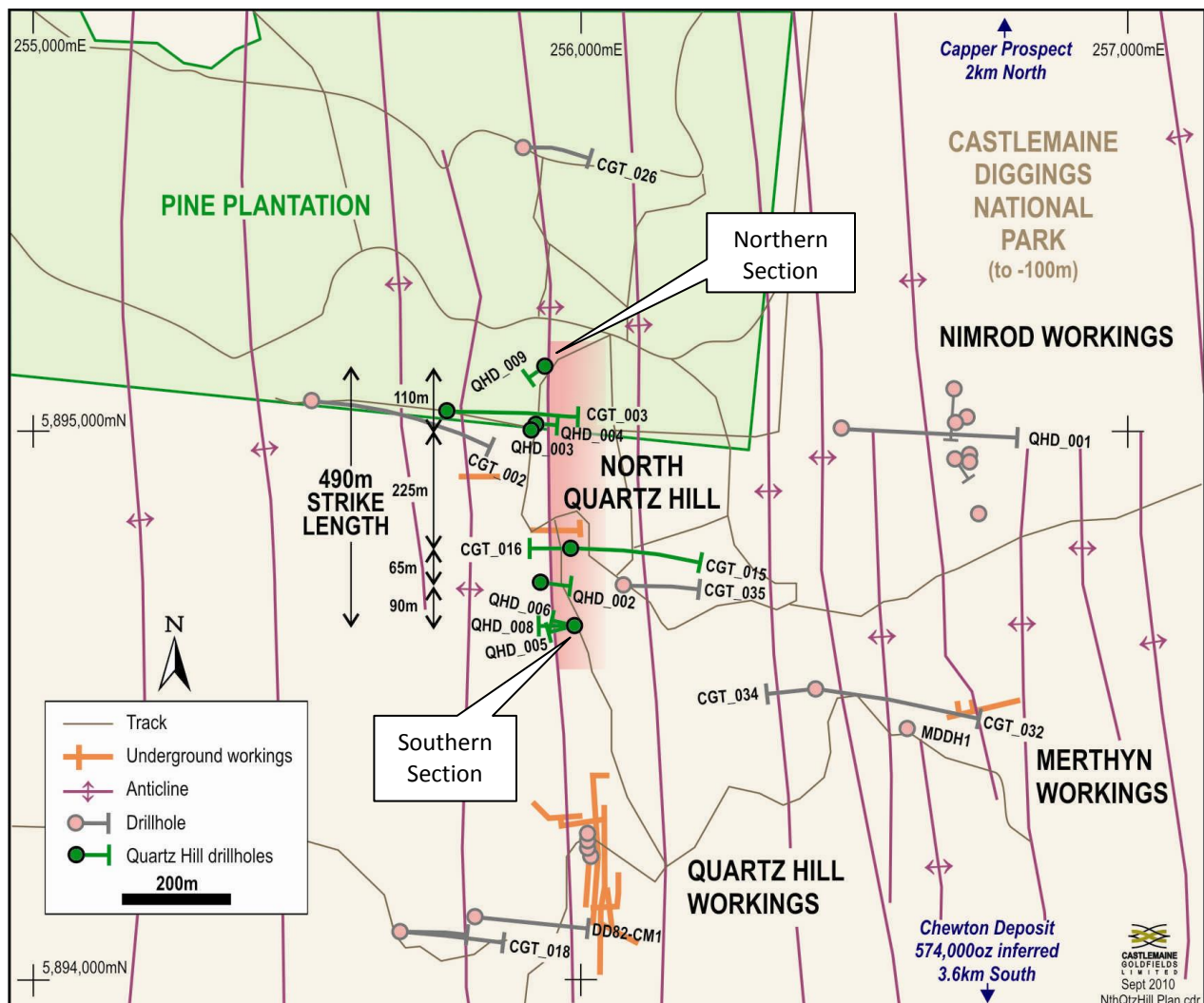


Figure 5. Quartz Hill plan view locating recent drill sections.

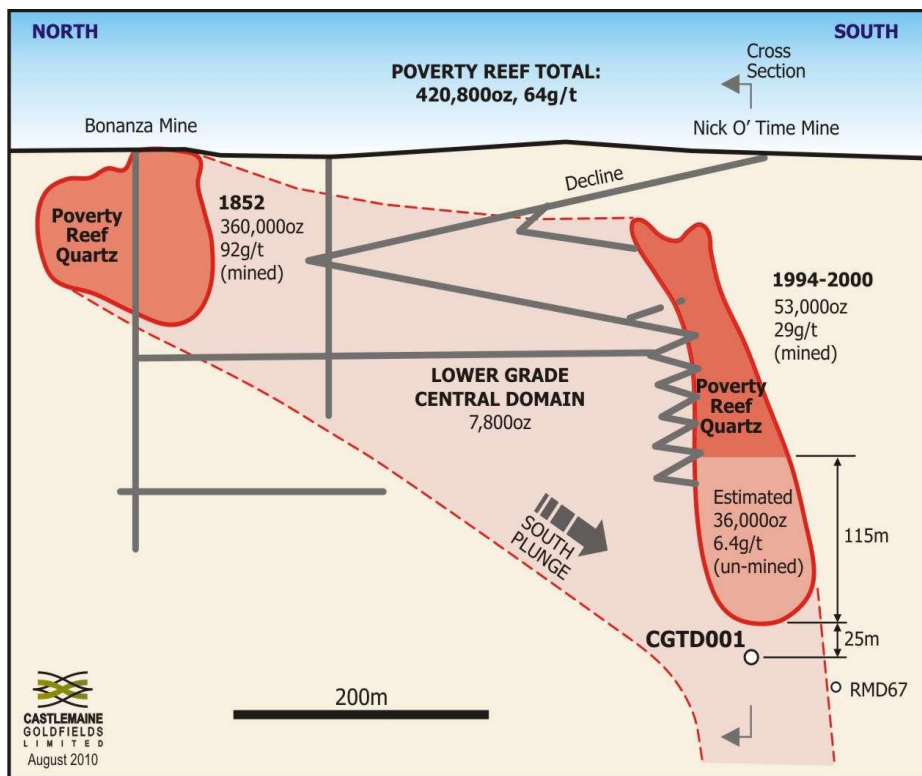
A northern section comprising 3 holes drilled to vertical depths between 400m and 540m was done to step out 100 metres north from previous drilling. The first of these QHD_009 reveals very similar fault locations as known to the south with an upper and lower set of faults. However the most significant quartz is located between 450 metres and 482 metres on the lower fault zone, where the intermittently stylolitic quartz veining contains accessory pyrite, arsenopyrite and pyrrhotite. Gold assay results for QHD_009 are awaited.

Logging and sampling of QHD_010 and QHD_011 are in progress with similar high quartz vein volumes found in QHD_010 upon the lower fault zone yet with encouraging coarse grains of sphalerite in a number of veins which is a positive indicator for gold mineralisation. Total along strike length of faulting and quartz veining tested at North Quartz Hill to date is 485 metres. Full assessment of the gross potential for the Quartz Hill project to host a deposit sufficient in size and gold endowment to become the pathway to production for the Chewton Deposit (2.1 million tonnes @ 6.0 - 9.1 g/t Au, JORC Inferred Resource) will be performed once full results are received for both of the step out sections just completed.

Tarnagulla Project

A 6 hole diamond drill program was completed at Tarnagulla in the quarter. Targets tested were the Cambrian mine (Llanelly), Greeks Hill, Poseidon and extensions to the Nick O' Time mine.

The single hole drilled beneath the Nick O' Time mine (past production 1994-2000; 57,400 tonnes produced 54,000 ounces) intersected gold bearing quartz at the southern margin of the Poverty Reef. Hole CGTD001 intersected 6.3m @ 2.9 g/t Au[†] from 468.7m downhole including 1.3m @ 5.2 g/t Au[†] at the footwall contact. Sphalerite, pyrite and arsenopyrite accessory minerals were logged across the quartz interval adding strength to the intersection. Only two existing holes have intersected the Poverty quartz reef and structures below the lower Resource (Block 2E). RMD67 at the southern limits of the reef contains a narrow 1m intersection grading 1.86 g/t Au (Figure 6) making the 6.3m wide interval in CGTD001 more significant.



This result has now extended the depth of known gold mineralisation an additional 25m and brings the total vertical extent of mineralised structure beneath the deepest mine development to 140m.

Hole RMD72 was drilled at much greater depth and intersected the Poverty reef at 765.8m downhole with one significant assay of 0.9m @ 0.73g/t Au with sphalerite, chalcopyrite, galena, and arsenopyrite indicating that gold is still present on the structure at depth. Over 250m of reef potential exists between CGTD001 and RMD72 which can become the focus for future exploration.

Figure 6. Poverty Reef long section showing the depth potential under the Nick O' Time mine, Tarnagulla and location of CGTD001.

Drilling of 2 holes at the Cambrian mine, Llanelly, targeted the down plunge extension to the mine mineralisation. Two fault structures were found at the target depth that can be correlated with previous drill results and historical mine information. Quartz vein contents associated with each fault are low with a maximum gold intersection of 0.6m @ 2.24 g/t Au* from 57.3m in TDDC002 in a shale hosted fault containing a 25mm

laminated quartz vein. Results at Cambrian mine limit the resource potential and are insufficient to warrant further exploration, and as such, licence EL4542 has been allowed to expire effective 17th September 2010.

At Greeks Hill a single diamond hole targeted the Black Wall Fault east dipping structure where it converges at a depth of 120m with a west dipping structure. The Black Wall Fault outcrops in several open pits along the Greeks Hill Line of Reef and is described as up to half a metre of breccia and black, foliated graphitic puggy clay. Gold values of 0.6m @ 0.67g/t Au* from 49.9m and 0.9m @ 0.54g/t Au* from 53m in drill hole TDDG002 were found in faulted, sheared sediments. The highest value of 0.4m @ 4.08g/t Au* from 67.4m was in a zone containing a sheared quartz vein up to 15cm thick with limonite and ferruginous alteration. The Black Wall Fault was intersected at 170m down hole, and consisted of a highly faulted black pug east dipping fault with poorly developed laminated structure. Assay results for the Black Wall Fault area were low with a best value of 1m at 0.41 ppm Au.

Encouraging results were returned from the 2 short (~150m each) drill holes at the Poseidon Reef, with both intersecting a major vertical fault zone interpreted to be the Poseidon fault. Encouragingly the sandstone host contains pyrite, sphalerite, and arsenopyrite wallrock alteration with massive and weakly stylonitic quartz veins. A maximum gold result of 2.0m @ 1.2 g/t Au* from 130.6m in hole TDDP002 was received from what is the first hole into a reef system which is interpreted at over 5 kilometres in length. A concerted program of drilling along this line of reef is required to adequately test for Poverty Reef sized resources (~400,000 ounces with grades >30g/t Au).

The conclusion to exploration drilling at Tarnagulla in the quarter is that the prospects at Greeks Hill and Cambrian have been downgraded but increased potential exists to extend the Nick O' Time mineralisation deeper, and that a gold bearing structure with extensive strike length is present at Poseidon.

Sebastian Project (100% owned)

Ownership of the Sebastian Project central exploration licence EL3105 became wholly owned with the purchase of the 25% formerly owned by Greater Bendigo Gold Mines. The purchase price was \$65k plus transfer of the ownership of a piece of mining equipment with a book value of \$40k. This licence contains the historical Frederick the Great mines with past gold production of 187,000 ounces and has been the focus for modern exploration.

A 3 hole RC drill program was undertaken in the quarter within EL3105 to define new targets at shallow depths to the south along strike on the Frederick the Great line of mineralisation. This drilling intersected a moderate amount of quartz veining without notable accessory minerals. Assay results for samples from this RC drilling are still awaited with no high expectations. Preparations have begun to resume RC drilling at the Gunns Rd target in summer once farming crops have been taken.

Finance

Expenditure on all exploration, Ballarat care and maintenance and other expenditure closely tracked budget in the quarter. After a net spend of \$2.2m for the September quarter, the company had cash on hand of \$18.0M. The net spend was after receipt of \$1.0M from the sale of surplus plant and equipment. An additional \$0.6m was received on 1 October, bringing the total proceeds received to date from the sale of surplus plant and equipment to \$1.9m and the cash position to \$18.6m.



Matthew Gill
Managing Director and Chief Executive Officer

Information in this document which relates to exploration results and Mineral Resources, is based on information compiled by Mr Wesley Edgar, Exploration Manager for Castlemaine Goldfields Limited, who is a member of the Australasian Institute of Mining & Metallurgy, and who has the relevant experience as a competent person, as defined in the 2004 edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code)'. Mr Edgar, has given and has not withdrawn prior to lodgement, his written consent to be named in this Announcement as the person responsible for the Exploration Result statements and to the inclusion of these statements in the form and context in which they appear.

** Assay method is 50 gram Fire Assay which for extremely coarse gold can be a highly variable method relative to larger sample volume methods such as 1000 gram Screen Fire Assay.*

† Screen Fire Assay 1000g analysis result.

Note for Tables of Assays below; Some gold bearing assay intersections which relate to individual spur veins which are unlikely to be mined as individual veins have been omitted from the list of assay results. Such results are not considered material to a future mining project.

Table 1. Assay results from Lower Llanberris drill samples not previously reported (nominally >1g/t Au cut, <2m internal dilution using geological boundaries). All depths are downhole lengths.

Drill hole	From	To	m	Au	Intersection
CBU016	93.2	93.8	0.6	5.5	0.6m @ 5.5 g/t Au from 93.2m
	104.0	105.0	1.0	4.33	1.0m @ 4.3 g/t Au from 104.0m
	107.1	109.4	2.3	7.77	2.3m @ 7.8 g/t Au from 107.1m
	120.3	123.0	2.7	10.10	2.7m @ 10.1 g/t Au from 120.3m
	126.5	127.6	1.1	4.28	1.1m @ 4.3 g/t Au from 126.5m
	132.4	133.0	0.6	10.75	0.6m @ 10.7 g/t Au from 132.4m
	137.0	139.0	2.0	42.37	2.0m @ 42.4 g/t Au from 137.0m
CBU019	80.3	80.7	0.4	6.44	0.4m @ 6.4 g/t Au from 80.3m
	83.2	83.6	0.4	7.85	0.4m @ 7.8 g/t Au from 83.2m
	94.3	98.5	4.5	55.95	4.5m @ 56.0 g/t Au from 94.3m
	99.2	100.2	1.0	1.48	1.0m @ 1.5 g/t Au from 99.2m
	101.2	102.2	1.0	3.59	1.0m @ 3.6 g/t Au from 101.2m
	103.0	103.3	0.3	1.20	0.3m @ 1.2 g/t Au from 103.0m
	114.3	125.7	11.4	6.47	11.4m @ 6.5 g/t Au from 114.3m
			0.5	30.78	including 0.5m @ 30.8 g/t Au from 114.3m
			0.3	76.07	and 0.3m @ 76.1 g/t Au from 122.0m
			0.3	98.97	and 0.3m @ 99.0 g/t Au from 125.4m
129.0	130.8	1.8	6.79	1.8m @ 6.8 g/t Au from 129.0m	
133.2	133.5	0.3	8.23	0.3m @ 8.2 g/t Au from 133.2m	
142.0	143.0	1.0	2.57	1.0m @ 2.6 g/t Au from 142.0m	
CBU020	121.8	127.0	5.2	5.95	5.2m @ 5.9 g/t Au from 121.8m
	133.6	135.4	1.8	4.51	1.8m @ 4.5 g/t Au from 133.6m
	138.0	138.6	0.7	3.52	0.7m @ 3.5 g/t Au from 138.0m
	151.3	153.0	1.7	2.04	1.7m @ 2.0 g/t Au from 151.3m
CBU026	119.9	120.5	0.6	32.94	0.6m @ 32.9 g/t Au from 119.9m
	159.5	163.0	3.5	14.87	3.5m @ 14.9 g/t Au from 159.5m
CBU027	126.6	131.8	5.2	7.72	5.2m @ 7.7 g/t Au from 126.6m
	143.1	149.7	6.6	5.38	6.6m @ 5.4 g/t Au from 143.1m
	149.7	151.8	2.1	2.51	2.1m @ 2.5 g/t Au from 149.7m
	167.6	168.1	0.5	18.78	0.5m @ 18.8 g/t Au from 167.6m
CBU029	97.8	98.9	1.1	1.78	1.1m @ 1.8 g/t Au from 97.8m
	104.4	120.0	15.6	5.84	15.6m @ 5.8 g/t Au from 104.4m
			1.7	10.61	including 1.7m @ 10.6 g/t Au from 105.3m
			4.9	12.72	and 4.9m @ 12.7 g/t Au from 114.7m
	135.0	136.3	1.3	4.84	1.3m @ 4.8 g/t Au from 135.0m
CBU030	112.0	115.0	3.0	1.78	3.0m @ 1.8 g/t Au from 112.0m
CBU031	108.0	112.0	4.0	8.61	4m @ 8.6 g/t Au from 108.0m
	119.9	124.0	4.1	8.47	4.1m @ 8.5 g/t Au from 119.9m
	136.5	138.6	2.1	8.87	2.1m @ 8.9 g/t Au from 136.5m

Table 1. continued (Lower Llanberris)

Drill hole	From	To	m	Au	Intersection
CBU032	110.0	111.0	1.0	71.03	1.0m @ 71.0 g/t Au from 110.0m
	114.0	115.8	1.8	2.67	1.8m @ 2.7 g/t Au from 114.0m
	120.0	134.0	14.0	8.96	14.0m @ 9.0 g/t Au from 120.0m
CBU046	56.7	57.6	0.9	9.87	0.9m @ 9.9 g/t Au from 56.7m
	75.0	78.9	3.9	6.09	3.9m @ 6.1 g/t Au from 75.0m
	82.7	83.1	0.4	4.00	0.4m @ 4.0 g/t Au from 82.7m
	114.3	116.0	1.7	9.95	1.7m @ 9.9 g/t Au from 114.3m
	123.8	126.7	2.9	14.83	2.9m @ 14.8 g/t Au from 123.8m
	233.8	236.7	2.9	5.89	2.9m @ 5.9 g/t Au from 233.8m
CBU047	106.0	107.0	1.0	4.13	1.0m @ 4.1 g/t Au from 106.0m
	110.0	114.0	4.0	2.03	4.0m @ 2.0 g/t Au from 110.0m
	116.0	123.0	7.0	5.65	7.0m @ 5.6 g/t Au from 116.0m
			2.0	9.71	including 2.0m @9.7 g/t Au from 116.0m
CBU048	62.4	63.5	1.1	12.35	1.1m @ 12.3 g/t Au from 62.4m
	81.8	82.1	0.3	3.87	0.3m @ 3.9 g/t Au from 81.8
	88.6	88.9	0.3	9.36	0.3m @ 9.4 g/t Au from 88.6m
	117.5	118.0	0.5	14.34	0.5m @ 14.3 g/t Au from 117.5m
	125.4	128.0	2.6	9.08	2.6m @ 9.1 g/t Au from 125.4m
CBU049	55.5	57.3	1.8	4.51	1.8m @ 4.5 g/t Au from 55.5m
	80.1	81.3	1.2	8.97	1.2m @ 9.0 g/t Au from 80.1m

Note: Holes CBU046, CBU048 and CBU049 are to the north of the Lower Llanberris mineralisation and resource studies.

Table 2. Assay results from Britannia-MFZ drill samples not previously reported (nominally >1g/t Au cut, <2m internal dilution using geological boundaries). All depths are downhole lengths.

Drill hole	From	To	m	Au	Intersection
CBU021	298.0	298.3	0.3	13.59	0.3m @ 13.6 g/t Au from 298.0m
	305.0	305.3	0.3	6.46	0.3m @ 6.5 g/t Au from 305.0m
CBU025	230.7	232.7	2.0	5.95	2.0m @ 5.9 g/t Au from 230.7m
	237.2	242.0	4.8	6.42	4.8m @ 6.4 g/t Au from 237.2m
	246.0	246.8	0.8	15.72	0.8m @ 15.7 g/t Au from 246.0m
	250.9	259.0	8.1	2.27	8.1m @ 2.3 g/t Au from 250.9m
			2.6	5.35	including 2.6m @ 5.3 g/t Au from 253.0m
	277.0	277.3	0.3	11.58	0.3m @ 11.6 g/t Au from 277.0m
	284.2	284.5	0.3	1.58	0.3m @ 1.6 g/t Au from 284.2m
	290.2	291.2	1.0	1.07	1.0m @ 1.1 g/t Au from 290.2m
297.9	298.3	0.4	3.98	0.4m @ 4.0 g/t Au from 297.9m	
CBU028	258.6	262.2	3.6	1.40	3.6m @ 1.4 g/t Au from 258.6m
	276.0	277.1	1.1	46.4	1.1m @ 46.4 g/t Au from 276.0m
	284.8	287.8	3.0	2.19	3.0m @ 2.2 g/t Au from 284.8m
CBU028A	251.0	252.0	1.0	4.51	1.0m @ 4.5 g/t Au from 251.0m
	282.1	282.6	0.5	2.67	0.5m @ 2.7 g/t Au from 282.1m
	318.5	321.7	2.5	6.33	2.5m @ 6.3 g/t Au from 318.5m
CBU028B	296.8	299.4	2.6	5.35	2.6m @ 5.3 g/t Au from 296.8m
	305.6	305.9	0.3	20.94	0.3m @ 20.9 g/t Au from 305.6m
	323.7	324.0	0.3	17.27	0.3m @ 17.3 g/t Au from 323.7m
CBU042					No significant assay
CBU061	162.9	164.0	1.1	16.04	1.1m @ 16.0 g/t Au from 162.9m
	205.4	206.4	1.0	3.46	1.0m @ 3.5 g/t Au from 205.4m
	259.4	289.6	30.2	4.17	30.2m @ 4.2 g/t Au from 259.4m including 12.0m @ 8.3 g/t Au from 259.4m and 3.8m @ 21.1 g/t Au from 267.6m
CBU062					assays awaited
CBU064					assays awaited

α CBU024 reported previously as FA50g, now reported here as SFA1000g

Table 3. Assay results from Hammerhead Fault Zone in Britannia and Llanberris (nominally >1g/t Au cut, <2m internal dilution using geological boundaries). All depths are downhole lengths. * = SFA1000g result awaited.

Drill hole	From	To	m	Au	Intersection
CBU023	111.0	111.3	0.3	6.92	0.3m @ 6.9 g/t Au from 111.0m
	149.9	152.7	2.8	8.04	2.8m @ 8.0 g/t Au from 149.9m
CBU024	120.1	121.8	1.7	6.77	1.7m @ 6.8 g/t Au from 120.1m
	161.0	162.0	2.0	25.38	2.0m @ 25.4 g/t Au from 161.0m
	181.9	182.3	0.4	1.09	0.4m @ 1.1 g/t Au from 181.9m
	196.4	197.0	0.6	6.36	0.6m @ 6.4 g/t Au from 196.4m
	215.9	218.2	2.3	37.68	2.3m @ 37.7 g/t Au from 215.9m
CBU041	122.8	123.5	0.7	4.25	0.7m @ 4.2 g/t Au* from 122.8m
CBU053	29.1	29.6	0.5	17.44	0.5m @ 17.4 g/t Au from 29.1m
	32.8	33.8	1.0	1.96	1.0m @ 2.0 g/t Au from 32.8m
	39.2	43.2	4.0	5.39	4.0m @ 5.4 g/t Au from 39.2m

Table 4. Significant assay results for the Sulieman North target in Llanberris (nominally >1g/t Au cut, <2m internal dilution using geological boundaries). All depths are downhole lengths.

Drillhole	From	To	m	Au	Intersection
CBU051	156.1	156.7	0.6	3.77	0.6m @ 3.8 g/t Au from 156.1m
	162.7	164.1	1.4	1.93	1.4m @ 1.9 g/t Au from 162.7m
	168.1	170.0	2.9	3.56	2.9m @ 3.6 g/t Au from 168.1m
			1.0	9.60	including 1.0m @ 9.6 g/t Au from 169.0m
CBU052	162.0	165.1	3.1	0.67	3.1m @ 0.7 g/t Au from 162.0m
	167.2	168.7	1.5	4.57	1.5m @ 4.6 g/t Au from 167.2m
CBU054	156.0	158.2	2.2	2.46	2.2m @ 2.5 g/t Au from 156.0m
	161.0	161.7	0.7	0.82	0.7m @ 0.8 g/t Au from 161.0m
	165.6	169.6	4.0	8.10	4.0m @ 8.1 g/t Au from 165.6m
			1.4	20.19	including 1.4m @ 20.2 g/t Au from 166.0m
CBU055	153.8	160.3	6.5	2.02	6.5m @ 2.0 g/t Au from 153.8m
			3.3	3.01	including 3.3m @ 3.0 g/t Au from 157.0m
CBU057	180.0	181.0	1.0	1.22	1.0m @ 1.2 g/t Au from 180.0m

Table 5. Significant assay results for Sulieman-Britannia (nominally >1g/t Au cut, <2m internal dilution using geological boundaries). All depths are downhole lengths.

Drillhole	From	To	m	Au	Intersection
CBU039	123.2	126.5	3.3	2.07	3.3m @ 2.1 g/t Au from 123.2m
	135.4	135.8	0.4	4.78	0.4m @ 4.8 g/t Au from 135.4m
CBU040	118.6	125.2	6.6	13.33	6.6m @ 13.3 g/t Au from 118.6
			0.5	167.08	including 0.5m @ 167.1 g/t Au from 124.7m
	135.0	136.8	1.8	84.92	1.8m @ 84.9 g/t Au from 135.0m
			1.1	136.88	including 1.1m @ 136.9 g/t Au from 135.0m
CBU050					No significant quartz

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

CASTLEMAINE GOLDFIELDS LIMITED

ABN

45 073 531 325

Quarter ended ("current quarter")

30 September 2010

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (9 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors		
1.2 Payments for (a) exploration & evaluation	(2,293)	(2,864)
(b) development		
(c) production		
(d) administration	(304)	(714)
(e) care & maintenance	(775)	(980)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	190	289
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material)	-	1
Net Operating Cash Flows	(3,182)	(4,268)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects		
(b) equity investments		
(c) other fixed assets	(15)	(16)
Ballarat Gold Project	(30)	(5,530)
Acquisition of remaining 25% interest in EL3105 (Sebastian)	(65)	(65)
1.9 Proceeds from sale of:		
(a) prospects		
(b) equity investments		
(c) Surplus Plant & Equipment	1,047	1,138
1.10 Loans to other entities		
1.11 Loans repaid by other entities		
1.12 Other (provide details if material)		
Security deposits to support bank guarantees (Department of Primary Industry & other parties)	-	(4,179)
Net investing cash flows	937	(8,652)
1.13 Total operating and investing cash flows (carried forward)	(2,245)	(12,920)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(2,245)	(12,920)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	31,586
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other (provide details if material)		
	Capital raising costs	2	(1,567)
	Net financing cash flows	2	30,019
	Net increase (decrease) in cash held	(2,243)	17,099
1.20	Cash at beginning of quarter/year to date	20,292	950
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	18,049	18,049

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	45
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

1.23 excludes remuneration and other benefits paid to the managing director who commenced on 13 September 2010. Also excludes remuneration and other benefits paid to the previous managing director who remains on the board as an executive director until 13 December 2010 when he will become a non executive director.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

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+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	N/A	N/A
3.2 Credit standby arrangements	N/A	N/A

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	1,700
4.2 Development	500
4.3 Production	-
4.4 Administration	250
Care & maintenance	1,150
Total	3,600

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	205	199
5.2 Deposits at call		
5.3 Bank overdraft		
5.4 Other (provide details) Bank Term Deposits & Cash Management	17,844	20,093
Total: cash at end of quarter (item 1.22)	18,049	20,292

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	EL4542	Owned lapsed	100%	Nil
	EL5166	Owned lapsed	100%	Nil
	EL4974	14 Graticules relinquished		
6.2 Interests in mining tenements acquired or increased	EL 3015	Purchase of balance of Sebastian tenement from joint venture partner.	75 %	100 %

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference + securities <i>(description)</i>	N/A	N/A	N/A	N/A
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	1,020,325,189	1,020,325,189	N/A	N/A
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	N/A	N/A	N/A	N/A
7.5 +Convertible debt securities <i>(description)</i>	N/A	N/A	N/A	N/A
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	N/A	N/A	N/A	N/A

+ See chapter 19 for defined terms.

7.7	Options <i>(description and conversion factor)</i>	<i>Number</i>	<i>Exercise price</i>	<i>Expiry date</i>
	C Options	2,000,000	0	20 cents
	C2 Options	500,000	0	30 cents
	C2 Options	500,000	0	40 cents
	C2 Options	1,000,000	0	50 cents
	D Options	500,000	0	20 cents
	E Options	250,000	0	20 cents
	F Options	350,000	0	20 cents
	F Options	350,000	0	23 cents
	F Options	350,000	0	26 cents
	F Options	350,000	0	30 cents
		6,150,000	0	
			0	
7.8	Issued during quarter	N/A	N/A	N/A
7.9	Exercised during quarter	N/A	N/A	N/A
7.10	Expired during quarter			
	B Options	1,400,000	N/A	25 cents
7.11	Debentures <i>(totals only)</i>	N/A	N/A	
7.12	Unsecured notes <i>(totals only)</i>	N/A	N/A	

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: (Managing Director & Chief Executive Officer)

Print name: Matthew D. Gill

Date: October 25, 2010

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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