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

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## Resummence of Drilling at Kalgoorlie North Gold Project

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Excelsior Gold Limited is pleased to advise that the Company has recommenced reverse circulation and diamond drilling programs at the Kalgoorlie North Project.

The total drilling program involves 17,600 metres of reverse circulation drilling and 1,000 metres of diamond core at a total estimated cost of \$1.98 million. The program is staged depending on results and drilling is expected to continue from October 2012 to late January 2013.

This latest phase of drilling will predominately target the Zoroastrian deposit following recent drilling success which has increased and extended the gold resources to the south and identified new broad zones of high grade gold mineralisation (*ASX announcement 12 August 2012*). Drilling will also focus on the high grade Big Blow South deposit to the south of Zoroastrian.

The drilling campaign is designed to test extensions to the existing mineralised structures and has the potential to rapidly expand the current gold resources and the resource status in these areas. It is anticipated that the drilling will continue to deliver low cost resource expansions in line with current sub \$10 per resource ounce discovery costs achieved on this Project to date.

Currently Indicated and Inferred resources at 0.6 and 3.0g/t Au cut-offs depending on depth and potential mine development method in the drill target areas are;

<b>Zoroastrian</b>	<b>3.19 million tonnes @ 2.79g/t Au for 286,300ozs</b>
<b>Big Blow South</b>	<b>189,400 tonnes @ 4.16g/t Au for 25,300ozs</b>

Total Indicated and Inferred resources at the Kalgoorlie North Gold Project are: -

**17.9 million tonnes @ 1.66g/t Au for 952,600 ounces** at 0.6 and 3.0g/t Au lower cut-offs

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In the Zoroastrian area reverse circulation and diamond drilling in this program will be targeted on the basis of the new structural model for the distribution of quartz veins hosting the gold mineralisation at Zoroastrian. Previous drilling in the area has consistently returned high grade gold intersections and defined a large gold mineralized system centered on the Zoroastrian Dolerite and extending into the adjacent rock types.

The Zoroastrian gold mineralised system extends for over two kilometres of strike and is in excess of 350 metres wide and drilling to date has tested only some of the mineralised structures over a relatively small portion of the system. Current gold resources of 286,300 ounces at Zoroastrian are restricted to a maximum vertical depth of 220 metres over 1,150 metres of strike of the system and there is excellent potential to increase the known resources and, because of the high gold grades, to evaluate large open pit and underground mining options.

The Company has accelerated drilling plans for the higher grade resource areas within the Kalgoorlie North Gold Project to better facilitate mining and processing evaluations as part of the Pre-Feasibility Study into the development of the Project due for completion mid 2013.

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

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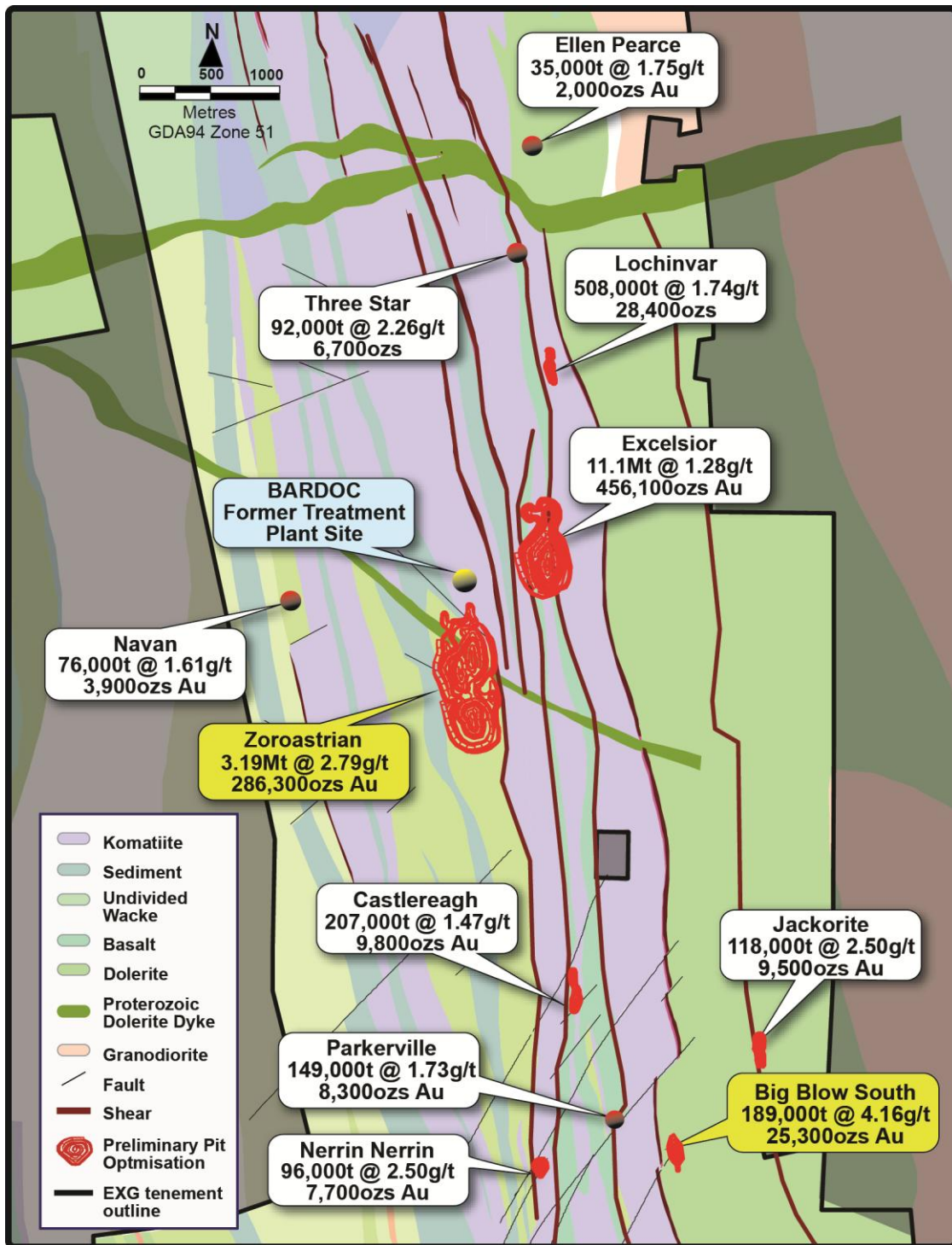
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**Figure 1. Kalgoorlie North Gold Project – Central Resource Area Geological Plan**  
 (showing current resource areas and preliminary pit optimisation shells with resources quoted at 0.6 and 3.0g/t Au lower cut-offs )

**Disclaimer**

The open pit and underground mining studies carried out by Auralia Mining Consulting Pty Ltd contained in this document are classed as conceptual level only. Due to this, the subsequent material inventories resulting from this work do not constitute or imply Minable Reserves. The estimates and beliefs applied in undertaking the conceptual mining studies, either stated or implied, by the Company and its consultants are based on a number of assumptions that involve known and unknown risks and uncertainties which may result in future outcomes that may significantly differ to any expressed or implied estimates or projections derived from these conceptual studies. Given the level of study, any data resulting from these conceptual studies refers solely to potential and does not guarantee that future work will result in the determination of Minable Reserves.

KALGOORLIE NORTH GOLD RESOURCES		MEASURED			INDICATED			INFERRED			TOTAL RESOURCES		
<i>Deposit</i>	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)
<b>Excelsior</b>	<b>0.6</b>	<b>5,175</b>	<b>1.40</b>	<b>232.2</b>	<b>3,230</b>	<b>1.20</b>	<b>124.9</b>	<b>2,652</b>	<b>1.16</b>	<b>99.0</b>	<b>11,057</b>	<b>1.28</b>	<b>456.1</b>
Zoroastrian (O/P)	0.6				1,481	2.29	109.1	1,220	2.44	95.6	2,701	2.36	204.7
Zoroastrian (U/G)	3.0				215	5.48	37.9	273	4.98	43.8	488	5.20	81.6
<b>Zoroastrian (Total)</b>					<b>1,696</b>	<b>2.69</b>	<b>146.9</b>	<b>1,493</b>	<b>2.90</b>	<b>139.4</b>	<b>3,189</b>	<b>2.79</b>	<b>286.3</b>
<b>Satellite Resources (within 4km radius of Excelsior)</b>													
Lochinvar	0.6				448	1.74	25.1	60	1.70	3.3	508	1.74	28.4
Three Star	0.6							92	2.26	6.7	92	2.26	6.7
Ellen Pearce	0.6							35	1.75	2.0	35	1.75	2.0
Navan	0.6							76	1.61	3.9	76	1.61	3.9
Jackorite	0.6				89	2.73	7.8	29	1.79	1.7	118	2.50	9.5
Castlereagh	0.6				194	1.48	9.2	13	1.29	0.5	207	1.47	9.8
Nerrin Nerrin	0.6				62	2.54	5.1	34	2.42	2.7	96	2.50	7.7
Parkerville	0.6				97	1.90	5.9	52	1.42	2.4	149	1.73	8.3
Big Blow South	0.6				50	4.50	7.2	139	4.04	18.1	189	4.16	25.3
<b>Total Satellite Resources</b>					<b>4,331</b>	<b>2.54</b>	<b>354.2</b>	<b>3,517</b>	<b>2.83</b>	<b>320.0</b>	<b>1,470</b>	<b>2.15</b>	<b>101.5</b>
<b>Other Resources (greater than 4km from Excelsior)</b>													
Eldorado	0.6				362	1.61	18.8	31	1.43	1.4	393	1.60	20.2
North Talbot	0.6							662	1.67	35.6	662	1.67	35.6
North Duke	0.6							706	1.12	25.4	706	1.12	25.4
Bulletin South	0.6							363	2.01	23.4	363	2.01	23.4
Windanya	1.0							42	3.00	4.0	42	3.00	4.0
<b>Total Other Resources</b>					<b>362</b>	<b>1.61</b>	<b>18.8</b>	<b>1,803</b>	<b>1.55</b>	<b>89.8</b>	<b>2,165</b>	<b>1.56</b>	<b>108.6</b>
<b>TOTAL RESOURCES</b>		<b>5,175</b>	<b>1.40</b>	<b>232.2</b>	<b>8,138</b>	<b>2.05</b>	<b>535.7</b>	<b>8,245</b>	<b>2.08</b>	<b>552.6</b>	<b>17,881</b>	<b>1.66</b>	<b>952.6</b>

**Table 1. Kalgoorlie North Gold Project – Resource Inventory (September 2012)**

**Competent Person Statement:**

Information in this announcement that relates to Mineral Resource and exploration results is based on information compiled by Mr. David Potter who is the Technical Director of Excelsior Gold Limited. Mr. Potter 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 which they are undertaking, to qualify as Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Potter consents to the inclusion in the document of the information in the form and context in which it appears.