

ASX Release

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Projects:

Burkina Faso

8 gold exploration permits covering 1,178 km² in three prospective areas of Burkina Faso.

Western Australia

5 gold tenements located predominantly in the Mt Monger region east of Kalgoorlie covering an area of 2,610 ha

Directors:

Kevin Dart - Chairman

Andrew Habets - Director

Sandy Barblett - Director

John Hannaford - Director

Issued Capital:

37.9m Ordinary Shares

19m Unlisted Options

ASX Code:

MRY

Cash ~\$1.7m (30 Sept)

WA DRILLING PROGRAM SET TO COMMENCE

Highlights

E25/333 tenement, Eastern Goldfields WA:

- ❖ **Maiden RC drilling program to follow up previous RAB drilling results of**
 - **4m @ 4.33g/t Au (from 32m)**
 - **6m @ 12.75 g/t Au (from 40m), incl.**
 - **1m @ 20.5 g/t Au (at BOH 46m)**
- ❖ **Previous explorers failed to adequately test granite hosted gold mineralisation in follow up drilling**
- ❖ **Recent regional exploration success follows similar model of discoveries of granite hosted deposits**

Monteray Mining Group Ltd ("Monteray" and or "the Company") is pleased to announce that it has received POW approval for an RC drilling program on its 'Triple 3' project located approximately 70 km ESE of Kalgoorlie in Western Australia. The objective of the campaign of 13 holes, to a maximum depth of 130 metres, is to follow up a previous discovery hole drilled in 2004 of **6m @ 12.75 g/t Au** from 40m, **including 1m @ 20.5g/t Au** at the bottom of the hole (46m).

Monteray Director John Hannaford commented:

"Recent exploration success targeting granite-hosted deposits by others in the region has supported the Company's decision to follow up this high grade discovery by previous explorers. Drilling should commence within 2-3 weeks and be completed by the end of November. Any successful delineation of a potential resource in this area will be able to take full advantage of regional project development and production activity and infrastructure."

Location and Geology

E25/333, the "Triple 3" prospect is located approximately 70 km ESE of Kalgoorlie. The tenement lies within the Archaean Norseman – Wiluna Greenstone belt, which is highly mineralised and includes the Kalgoorlie and Kambalda deposits.

Nearby operating mines include the Mount Monger project area 8km to the SW that includes the Daisy Milano mine operated by Silver Lake Resources that has a total JORC resource inventory of 1.7Moz of gold. Also the Randalls Project located 22km to the SE that has a JORC total resource of 30Mt at 2.6g/t for 2.5Moz of gold operated by Integra Mining.

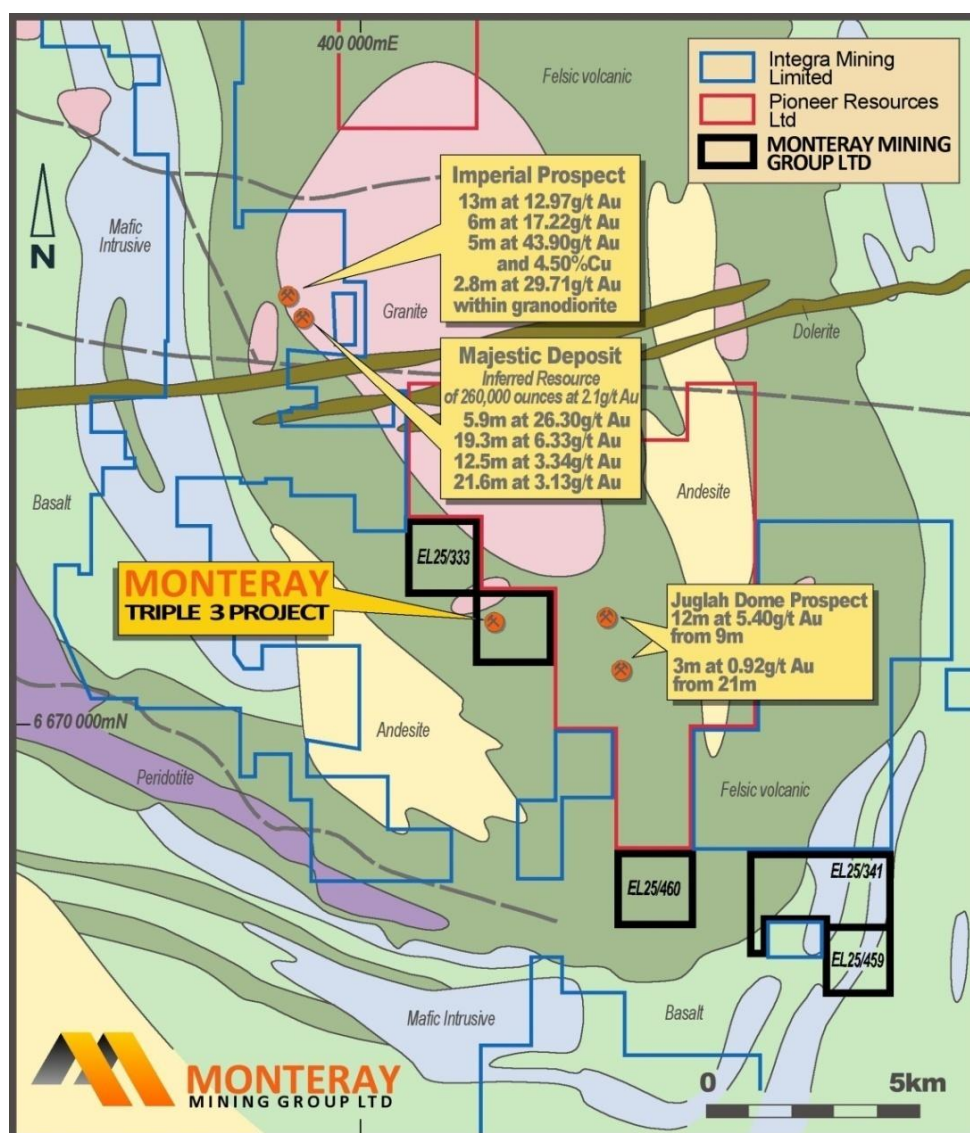


Figure 1. 'Triple 3' Prospect location in relation to Integra's Majestic deposit and Pioneer Resources tenements in the east goldfields region

The Majestic Deposit and Imperial prospect

The Majestic deposit (Integra) was discovered in 2010 and is located 8km to the NW of Triple 3. It now constitutes a significant gold mineralised system with an open-pitiable inferred resource of over 260,000oz. The mineralisation is associated within albite/silica/sericite altered and pyrite mineralised granodiorite.

The Imperial prospect is located 500m to the northwest of Majestic with gold mineralisation hosted in the same granodiorite as the Majestic deposit and appears to be associated with a similar series of tonalite porphyry dykes.

The Juglah Dome Gold Project

Juglah Dome is a Pioneer Resources owned prospect and is located in a contiguous tenement to the northeast of Triple 3. Recent RAB drilling has identified high grade gold intercepts such as 12m @ 5.4 g/t from 9m, on a tenement package adjacent to Triple 3.

Historical drilling

Aurion Gold and Placer Dome Asia Pacific explored the Triple 3 tenement area from 2001 to 2003 as part of the Greater Monger Project, drilling 110 RAB holes and 2 Diamond holes drilled on the tenement. Best RAB results were:

On line 220mN

- **4m @ 4.33g/t Au (from 32m)**
- **6m @ 12.75 g/t Au (from 40m), incl.**
 - **1m @ 20.5 g/t Au (at BOH 46m)**

On Line 180mN

- **4m @ 4.6g/t Au from 32m**

Subsequent diamond holes HRDD001 was not able to replicate grade or width of the RAB results. The second diamond hole HRDD002 drilled to a depth of 153m under the RAB intercept on line 200nM was not assayed apart from a 13m section from 57-70m which recorded two 1m intercepts. See further on *Figure 2*, below.

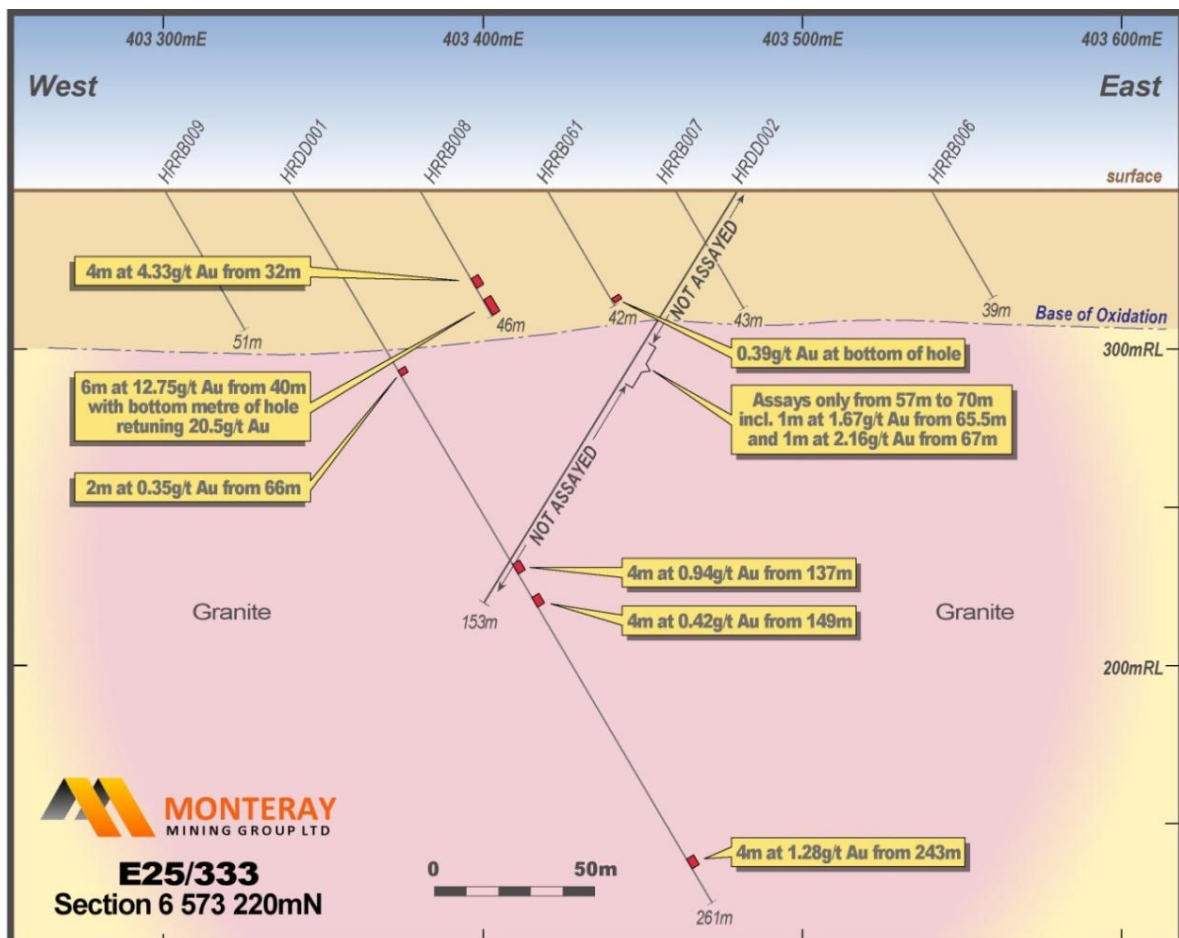


Figure 2 – previous RAB and Diamond drilling results on line 220mN

Monteray Drilling Program

A large percentage of previous historic drilling did not penetrate deeply enough to get through the gold depleted saprolite zone and intercept Supergene enrichment in the Redox zone beneath any mineralised Saprock positions at even greater depth. A few holes such as HRRB008 terminated in mineralisation of 20.5g/t Au in a granitic rock and a scissor diamond hole back under this hole was not assayed as the lithology was granite and not expected to be mineralised.

It is now evident that considerable gold and copper enrichment can occur entirely in the granitic intrusives as evidenced by Majestic.

Monteray lodged a POW for a program of 13 RC holes (PROP001 -013) be drilled for a total of 1,150m on Triple 3. Section plans for the proposed holes are included in Appendix 1. The Company anticipates commencement of drilling within 2-3 weeks with completion around the end of November.

For and on behalf of Monteray Mining Group Ltd

John Hannaford

Director

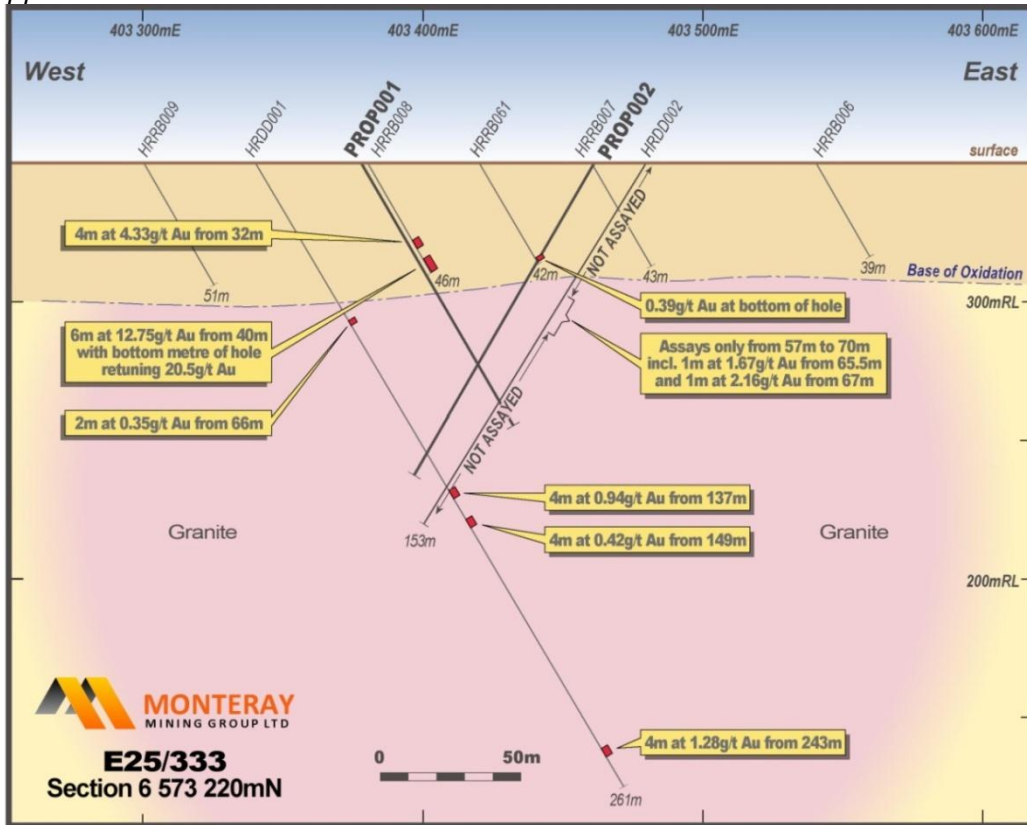
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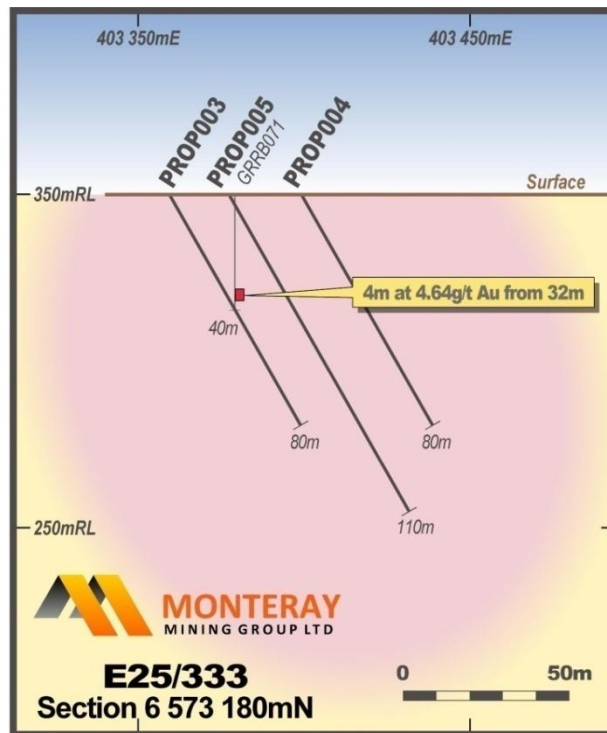
Competent Person's Statement

The information in this report accurately reflects information prepared by Competent Persons (as defined by the Australasian Code for Reporting of Mineral Resources and Ore Reserves). It is compiled by Mr Simon Omotosho, a consultant to the Company who is a Member of The Australasian Institute of Mining and Metallurgy with the requisite experience in the field of activity in which he is reporting. Mr Omotosho has sufficient experience which is relevant to the style of mineralisation and the type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Omotosho consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

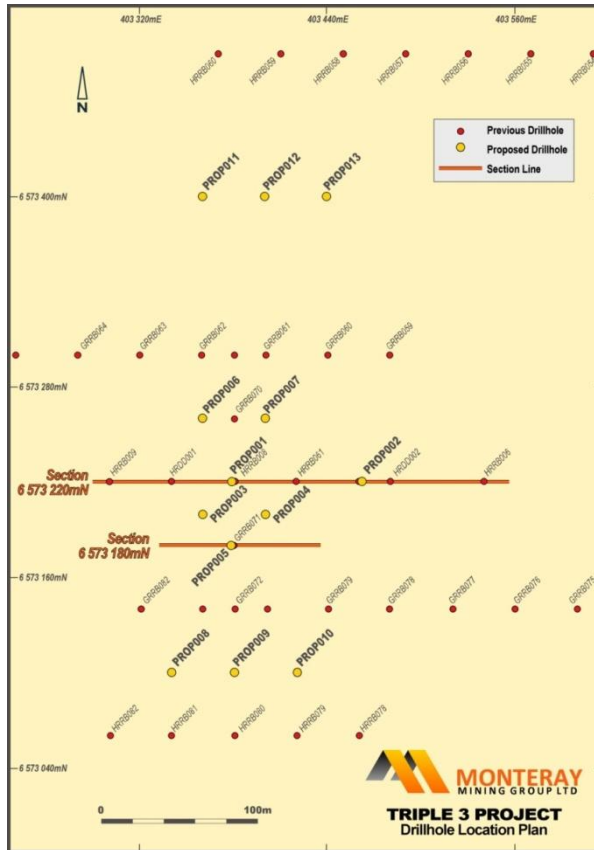
Appendix 1



Section 220mN of the 333 prospect showing location of Proposed RC holes PROP001 and PROP 002 designed to extend HRRB008 and re-test HRDD002.



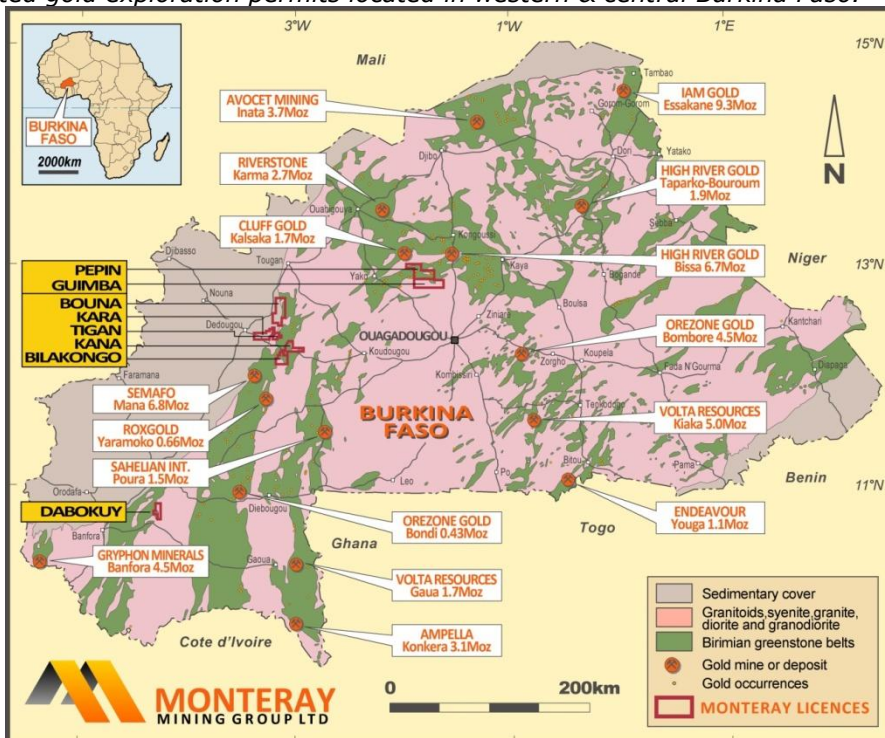
Section 180mN showing proposed holes PROP 003, 004 and 005 to test previous result of 4m @ 4.464g/t Au.(PROP003 and 004 projected onto section)



Drilling location plan showing proposed RC holes in yellow.

About Monteray Mining Group Ltd

Monteray Mining Group Ltd was relisted on ASX in February 2011 following the acquisition of a portfolio of gold licences located in the Eastern goldfields region of Western Australia, and the raising of \$3.5 million. On 7 September 2012 shareholders approved the acquisition of Vema Resources Pty Ltd and Eburnean Resources SARL, which collectively hold interests in eight newly granted gold exploration permits located in western & central Burkina Faso.



Burkina Faso map showing the Company's exploration permits in Central and Western Burkina Faso.