



Ballarat Gold Project Update

On 29 August 2012 Castlemaine Goldfields Limited made an ASX announcement to update the market on the Ballarat Gold Project.

The announcement referred to the inaugural Inferred Resource¹ for the Britannia compartment and the combined Britannia and previously stated Llanberris Inferred Resources, which now provide a consolidated Inferred Mineral Resource at Ballarat.

These references to Inferred Mineral Resource require a competent person statement as per the JORC. The ASX announcement is attached with the appropriate statements.

For further details contact the Company Secretary on 03 5327 2555.

COMPANY DETAILS

Principal and Registered Office

Castlemaine Goldfields Ltd
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Mount Clear, VIC, 3350

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ABN

45 073 531 325

ASX CODE: CGT

Corporate Information

Shareholders	635
Shares on Issue	305.8 million
Options (unlisted)	Nil

Directors

Non-Executive Chairman:

Gary Scanlan

Managing Director:

Matthew Gill

Non-Executive Directors:

Drew Henry
Peter McCarthy
Peter Lester

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Castlemaine Goldfields Limited refers to its June Quarterly Activities Report released to ASX on 25 July 2012, which noted that mining of the high grade Mako Lode in Llanberris to date had delivered successful results, and that the Company's focus had now shifted to extending the mine life at Ballarat.

By way of update, the Company advises that the next phase of mine planning has now been completed incorporating the addition of the inaugural Inferred Resource¹ for the Britannia compartment of 100,000 tonnes at 8.0g/t Au for 25,700 ounces of gold (ASX Release dated 27 July 2012). This mine plan considers the combined Britannia and previously stated Llanberris Inferred Resources, which now provide a consolidated Inferred Mineral Resource at Ballarat of 263,000 tonnes at 8.5 g/t Au for 71,700 ounces.

The existing Woah Hawp decline has been prepared allowing mine development to re-start, extending this decline north and also the Britannia decline which branches off this to access the Britannia Resource (Figure 1). The closest portion of the Britannia Resource is just 20 metres from existing development. A third truck has been sourced to allow this development to advance in parallel with current mining activities in the Llanberris compartment.

Ballarat – Mine Plan

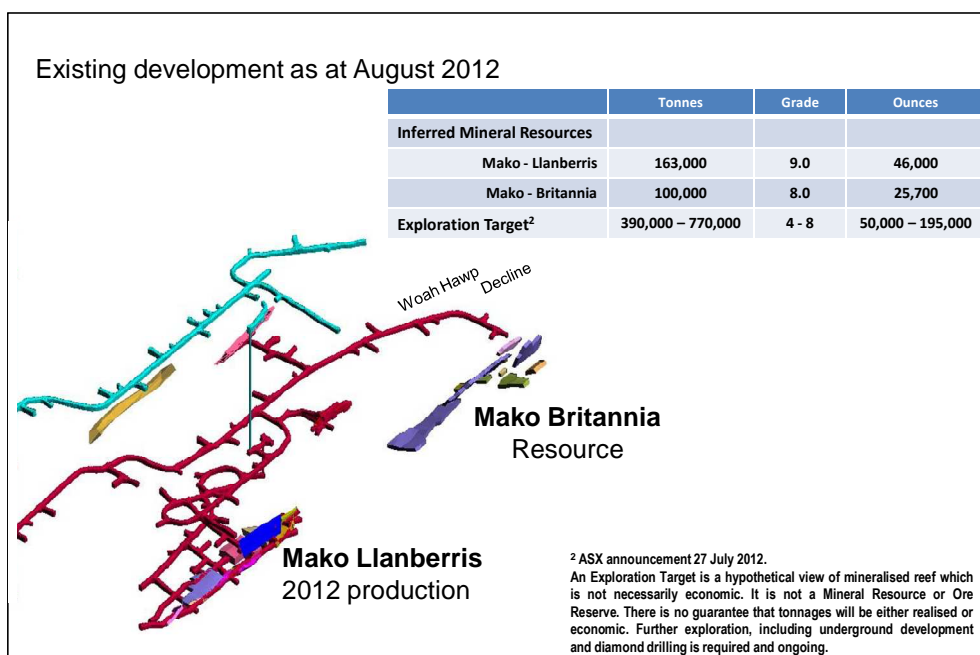


Figure 1. Isometric view of the existing underground development

Matthew Gill, Managing Director & CEO commented “The re-commencement of capital expenditure to extend the decline north and into the Britannia compartment is demonstration of our confidence that successful mine scheduling of the Britannia Mineral Resource together with the Mako Lode in Llanberris, should underpin our production target of delivering 40,000 - 55,000 ounces in FY13.”

¹Mineral Resources which are not Ore Reserves do not have demonstrated economic viability. The estimate of Mineral Resources may be materially affected by environmental, permitting, legal, title, taxation, socio-political, marketing, operational cost, metal price, mining control, dilution or other relevant issues. There has been insufficient exploration to define these Inferred Mineral Resources as an Indicated or Measured Mineral Resource, as there is insufficient close-spaced drill hole data to adequately define grade and geological continuity for this structurally complex deposit. It is uncertain if further exploration will result in upgrading the Inferred Mineral Resource to an Indicated or Measured Mineral Resource category or to Ore Reserves.

The information in this document which relates to Exploration Targets and Mineral Resources is based on information reviewed by Dr Simon Dominy FAusIMM(CP). Dr Dominy is an employee of the Snowden Group and currently contracted to Castlemaine Goldfields Ltd as Acting Exploration Manager. He is a Fellow of The AusIMM and a Chartered Professional Geologist and is 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)'. Dr Dominy consents to the publication of this information in the form and context in which it appears.

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