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Market Announcements Office
ASX Limited
4th Floor, 20 Bridge Street, Sydney NSW

ASX code: MUX

Grant of King Vol Mining Lease means high-grade zinc project is on track for first production in early 2017

Mungana Goldmines Ltd (ASX: MUX) is pleased to advise that the Mining Lease associated with its King Vol zinc project has been granted by the Queensland Department of Natural Resources and Mines.

Mungana's Managing Director, Tony James, said the granting of the Mining Lease is a significant mile-stone towards the development of the high-grade zinc project.

"The outlook for development of the King Vol deposit is very strong," Mr James said.

"The project has high-grade zinc and an estimated pre-production capital cost that is less than that of a green-fields project due to there already being key plant components and major infrastructure in place.

"The granting of the Mining Lease means we are on track for first concentrate production in early 2017."

Mungana recently released the results of the King Vol Scoping Study, which indicate that it is an economically robust and low technically risk project (ASX: 23 Jul 2015).

Forward looking statements

This announcement contains forward looking statements. These statements are based on, among other things, Mungana's assumptions, expectations, estimates, objectives, plans and intentions as at the date of this announcement. Such statements are not statements of fact, and there can be no certainty of outcome in relation to the matters to which the statements relate.

Although Mungana believes that the expectations reflected in any forward looking statements in this announcement are reasonable, no assurance can be given that such expectations will prove to have been correct. Actual outcomes may differ materially from the outcomes, events or results expressed or implied in any forward looking statement.

Except as required by applicable law or the ASX Listing Rules, Mungana does not undertake to update or revise any forward looking statements after the date of this announcement to reflect any

change in expectations in relation to those statements or any change in events, conditions or circumstances on which any such statement is based.

Competent person's reference

The information in this announcement relating to Mineral Resources is based on information prepared by Mr Brian Wolfe in compliance with the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) details of which were released on ASX by Mungana on 28 January 2015. Mr Wolfe is a member of the Australian Institute of Geoscientists and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the JORC Code.

Mungana confirms that it is not aware of any new information or data that materially affects the information relating to Mineral Resources included in the 28 January 2015 announcement referred to above. Mungana confirms that all material assumptions and technical parameters underpinning the Mineral Resource estimates in that previous ASX release continue to apply and have not materially changed.

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