



POSITIVE SCOPING STUDY FOR MUTINY'S ROCKSTEADY IRON PROJECT

HIGHLIGHTS:

- **Positive Scoping Study supports Rocksteady iron project**
- **Permitting commenced**
- **Planning underway for drilling programme to test exploration target of 1.5 Mt**
- **Multiple offtake opportunities being investigated and negotiated**

Australian resources company Mutiny Gold Ltd (ASX: MYG) announces that it has achieved another technical milestone in the proposed development of its Rocksteady Iron Project with the successful completion of the project Scoping Study. The Rocksteady Iron Project is contained within Mutiny Gold's 100%-owned Gullewa multi-mineral project licenses, located within the Murchison Region of Western Australia.

The purpose of the study was to assess the potential of commencing iron ore mining operations at Rocksteady. The Scoping Study was undertaken 'in house' based on information supplied by mining consultants, contractors and transport logistics companies. Studies on markets for the product were also included in the report.

The Company is very encouraged by the results of the study and intends to continue to progress developing Rocksteady.¹

Positive outcomes of the Study included:

- Establishment of development plan;
- Positive cost estimates for developing and operating the project;
- The identification of opportunities for value enhancement; and
- The identification of project risks.

¹ Actual results from the Scoping Study cannot be released in detail because they have been based on an exploration target and inferred resources which are not considered sufficiently certain under the JORC Code for presentation of an economic model on the project. Investors are advised that due to the inferred nature of the current Rocksteady resource, the study does not - for regulatory purposes; establish the economic viability of mining Rocksteady. For that to occur, the company will need to complete additional drilling to update the resource to the JORC indicated category and based on that, consider the mining, infrastructure, economic, legal and environmental factors. Although these matters are addressed in the study, they will need to be reappraised against an indicated resource prior to them being able to be released to the market and providing a conclusion on the economic viability of the project.

² Mutiny Gold has generated conceptual exploration targets based on extrapolation of reverse-circulation drilling data conducted by Batavia Mining in 2007, using an average thickness of 9 metres, and a density value of 2.9 SG based on historical reports related to the abandoned Rocksteady open pit. The combined Exploration target is between 1.5mt and 4.5mt - with grades ranging from 51% Fe to 56% Fe. Stage 1 target includes 500,000 tonnes to 1.5m tonnes of hematite with grades ranging from 51% Fe to 56% Fe and Stage 2 target includes of 1mt to 3mt of hematite with grades ranging from 51% Fe to 56% Fe. The potential quantity and grade is conceptual in nature, and there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.



Following completion of the Scoping Study, Mutiny has now resolved to:

- Proceed with the permitting process;
- Proceed with the drilling campaign to target an additional 500,000 to 1.5Mt²;
- Continue with commercial discussions including offtake negotiations to rapidly bring Rocksteady into production; and
- Continue detailed mine planning.

Rocksteady Iron complements Mutiny's lead Deflector Gold/Copper Project. Rocksteady is located 10km west of Deflector, within the Company's Gullewa Tenement Package and is part of the Company's multi-mine strategy. It offers a low cost start up and early cash-flow for the company which is important in these tight fiscal markets.

John Greeve, Managing Director of Mutiny Gold Ltd, said "Deflector is our key project but we have a multi-mine strategy which encompasses additional gold and iron mines. Our Gullewa Tenements contain vast mineral wealth including 170km of banded iron structure. Rocksteady is the first of potentially several iron deposits which may be commercially developed."

"We, and a number of potential customers, have identified a 'window of opportunity' to bring the under drilled, but highly prospective iron ore potential at Gullewa to the market through the growing iron ore infrastructure assets being developed in the region."

"The completion of this study allows us to negotiate the key offtake contracts with a sound understanding of the project dynamics."

Fundamentals of the proposed development include a project exploration target of 4.5Mt² of Direct Shipping Ore (DSO) plus an estimated equivalent quantum in upgraded ore from the lower grade waste to be mined as part of the operations.

Mutiny has identified material already mined by previous operators and stored in waste stockpiles, which although not included in our studies, may offer the opportunity to be upgraded via low cost beneficiation to generate a shippable product. The material was mined as waste when the previous operators undertook mining to access the gold mineralisation on deeper structures.

Vision for large Iron Ore business

Mutiny acquired the Gullewa tenements in June 2010. The Company identified the 170km of BIF as highly prospective for establishment of both Hematite and Magnetite operations.

A key strategic impediment for developing iron assets is transport logistics, and that aspect has changed significantly since the time of the initial Gullewa Project acquisition, and hence Mutiny took the view of focusing on Deflector Gold Copper until the issues were resolved.

Mutiny's current iron logistics strategy is confined to Geraldton Port by truck or rail. The Gullewa Iron assets are at a strategic advantage in this regard as they are just 40km from railhead and less than 200km via road.

The Company's strategic objective is to establish boutique Hematite Iron mines within the Gullewa tenements and use subsequent cash-flow to expand drilling and tenement exploration. In the medium term, the Company is also considering conducting a review of the development potential of its magnetite assets at Brandy Hill.



JORC Compliant Resource

An independent assessment of historic drilling and exploration undertaken has been correlated to formulate an initial JORC Inferred Resource for the Rocksteady Iron Project of 650,000 tonnes at 54% Fe (Table 1), announced 23 August 2013.

Rocksteady Iron JORC Resource									
ResCat	Tonnes	Fe%	SiO₂%	Al₂O₃%	P%	S%	Mn%	TiO₂%	LOI%
<i>Inferred</i>	<i>650,000</i>	<i>54</i>	<i>13</i>	<i>2.5</i>	<i>0.1</i>	<i>0.1</i>	<i>0.01</i>	<i>1.3</i>	<i>7</i>

Table 1: Rocksteady JORC-Compliant Inferred Resource

Resource Upgrade Expansion Plan

The planned drilling programme will be conducted in two phases:

Phase 1 infill drills the existing, known mineralised footprint, then progressively steps out on a 40m x 40m grid, developing a JORC-compliant 'Indicated' resource of up to 1.5Mt² to support a projected two year mine life. In addition, limited diamond drilling is planned for geotechnical and metallurgical studies.

Phase 2 is designed to test the full extent of the Rocksteady mining tenement, with an exploration target of 4.5Mt² of direct shipping hematite. Early success will prompt follow-up drilling campaigns to further increase the JORC-compliant resource.

Brief Scoping Study Overview

Mining

The Scoping Study calls for the Rocksteady Hematite Pit to be mined using the old Rocksteady Gold Pit for ramp access. The Rocksteady pit will undergo further optimisation as more drilling data becomes available. The operation plans include the use of an 8:6 single panel roster, allowing for maintenance and grade control to be conducted during the mining crews R&R.

Product Preparation

The ROM material would be crushed and screened onsite utilising a crushing contractor which will potentially produce four products, being a lump and fines of 52% Fe and 56% Fe. Testwork conducted by Nagrom in 2011 on Rocksteady hematite samples identified an opportunity to produce a higher Fe grade of 58% through further beneficiation.

Product Specifications are as follows:

	Fe%	SiO₂%	S%	P%	LOI%	Al₂O₃%
Medium grade	56	10.0	0.11	0.07	6.60	1.74
Low grade	52	13.6	0.11	0.10	6.43	1.81

Table 2: Rocksteady Product Specifications

Sales

Whilst there are no current sales agreements, discussions to date revolve around selling the ore with reference to the Platts Index. Current price range for the 52% product is \$79 to \$100 per tonne and for the 56% product, the price as of the August Index was \$112 with a 12 month range of \$87 to \$162.



Open Pit Mine Design

Geological Information

The hematite orebody is horizontal and tabular in orientation and shape and is contained within a banded iron formation (BIF). Based on this and the proposed mining method of mining using 2 to 4m flitches, dilution was considered to be already included in the low grade halo with no loss applied.

Geotechnical Assessment

A preliminary assessment of the existing Rocksteady pit walls showed no signs of significant geotechnical structures and potential issues. The existing pit walls are 40m high in the area containing the hematite orebody and are still in a competent condition after 11 years of exposure. Refer to Figures 1 and 2. The mine design is based on these observations and measurements



Figure 1: The Rocksteady Gold Pit

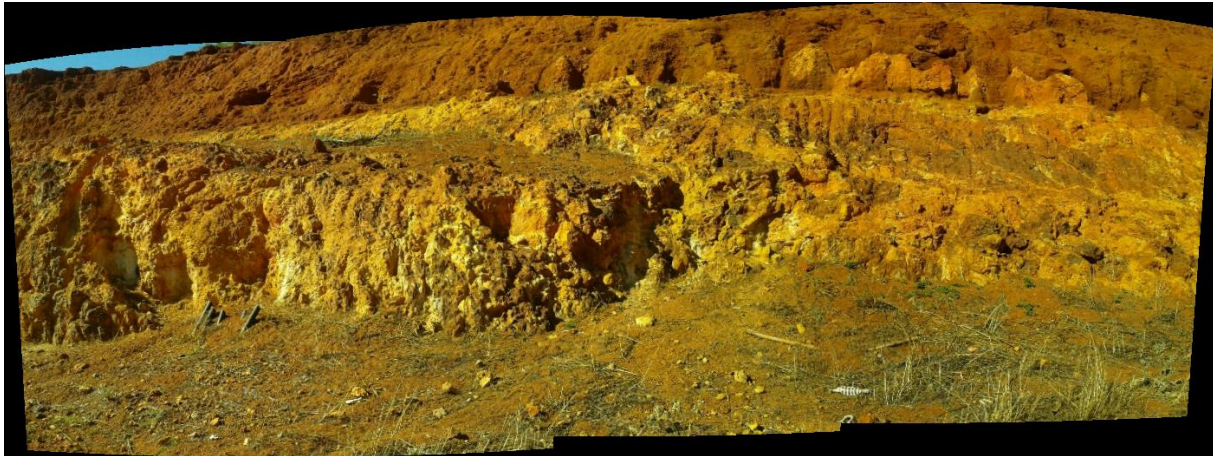


Figure 2: A photo of the Rocksteady Gold Pit Wall showing the laterite and mafic layering

Financial Analysis

Due to the resource being a JORC inferred resource, the details of the Scoping Study Financials cannot be released at this time.

Location

The Rocksteady Hematite Project is located in the Gullewa Greenstone Belt in the South Murchison District of Western Australia (Figure 3). The site is approximately 70 kilometres by road from Morawa and 35 kilometres south of the existing infrastructure corridor that runs east from Geraldton.

Originally mined for gold, an abandoned open pit exists at Rocksteady which is accessed by haul roads to infrastructure which includes a camp and offices approximately 5 kilometres distance.

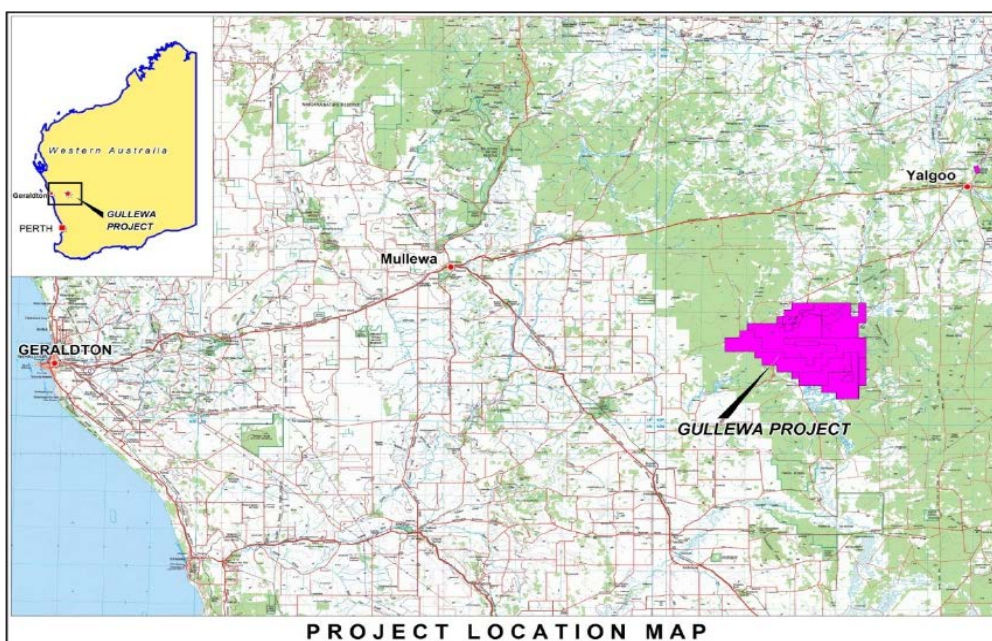


Figure3: Project Location Map



Infrastructure

The port of Geraldton and the proposed port of Oakajee are within 200km by road and rail (Figure 4). Rail is within 50km of the Rocksteady hematite project.

Existing infrastructure within the project area includes a camp that contains wet and dry messes and accommodation for 40 workers, an office and workshop facilities, extensive water bore fields, and tailings facilities with ready capacity.

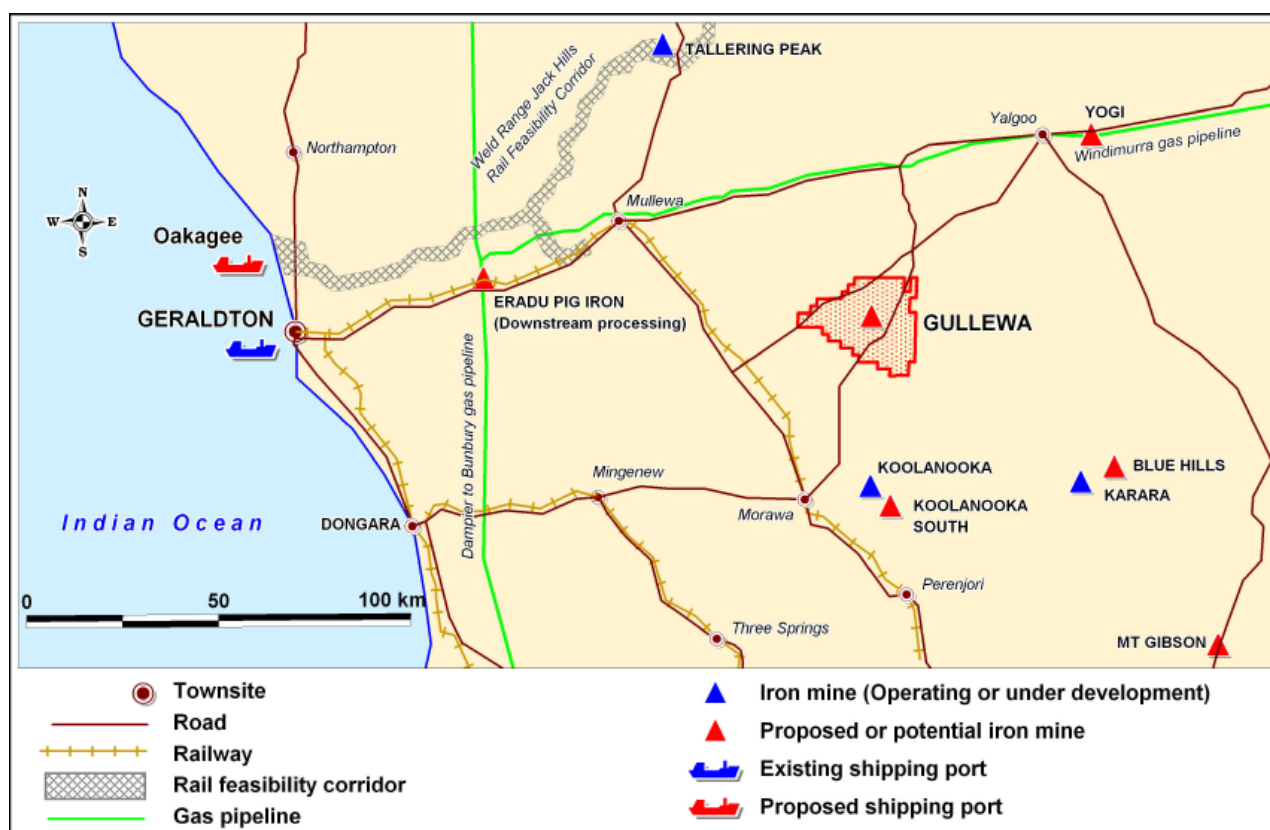


Figure 4: Mid-West Iron Projects and Infrastructure

**Competent Persons Statement:**

The Open Pit mining aspects in this report are based upon work by Mr. Brett Hampel – Resident Manager – Deflector Project. Mr Hampel is a member of the Australasian Institute of Mining and Metallurgy and has sufficient expertise and experience which is relevant to the style of mineralisation and to the type of deposit under consideration to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr Hampel consents to the inclusion in the report of the matters based on his information in the form and context in which they appear..

Competent Persons Statement:

The Geological aspects in this report which relates to Mining Resource are based upon information compiled by Mr. Lynn Widenbar of Widenbar and Associates. Mr Widenbar is a member of the Australasian Institute of Mining and Metallurgy and has sufficient expertise and experience which is relevant to the style of mineralisation and to the type of deposit under consideration to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr Widenbar consents to the inclusion in the report of the matters based on his information in the form and context in which they appear.

Competent Persons Statement:

The Metallurgical aspects in this report are based upon information compiled by Mr. Scott Male, Project Coordinator, Mutiny Gold Ltd. Mr Male is a member of the Australasian Institute of Mining and Metallurgy and has sufficient expertise and experience which is relevant to the style of mineralisation and to the type of deposit under consideration to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr Male consents to the inclusion in the report of the matters based on his information in the form and context in which they appear.

Competent Persons Statement:

The Exploration aspects in this report which relates to Exploration Results and Corporate Exploration Target is based upon information compiled by Mr. Nicholas Jolly, Geology Manager, Mutiny Gold Ltd. Mr Jolly is a member of the Australasian Institute of Mining and Metallurgy and has sufficient expertise and experience which is relevant to the style of mineralisation and to the type of deposit under consideration to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr Jolly consents to the inclusion in the report of the matters based on his information in the form and context in which they appear.

Competent Persons Statement:

The Financial aspects in this report are based on information compile in the Rocksteady Scoping Study and collated and reviewed by John Greeve – Managing Director. Mr Greeve is a chartered accountant and has the relevant expertise and experience on this style of financial modelling to qualify as Competent Person for financial aspects of this Report. Mr Greeve consents to inclusion in this report of matters based on his information.

**Forward Looking Statements**

All statements other than statements of historical fact included in this announcement including, without limitation, statements regarding future plans and objectives of Mutiny Gold Limited (Mutiny) are forward-looking statements. When used in this announcement, forward-looking statements can be identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects' or 'intends' and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this announcement, are expected to take place. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the company, its directors and management of Mutiny that could cause Mutiny's actual results to differ materially from the results expressed or anticipated in these statements. The company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this announcement will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements. Mutiny does not undertake to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this announcement, except where required by applicable law and stock exchange listing requirements.

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For further information, please contact:

John Greeve
Managing Director
Mutiny Gold Ltd
Tel: +61 (0) 8 9368 2722
Em: mgl@mutinygold.com.au

Colin Hay
PPR Australia Pty Ltd
Tel: +61 (0) 8 9388 0944