



Mutiny Gold's Deflector Production Inventory Grows to 552,000o Au Eq

- **Deflector Life of Mine production inventory grows by 93,000oz to 442,000oz gold and 100,000oz Au Eq to 552,000oz Au Eq**
- **Includes JORC Ore Reserve increase of 67,000oz to 310,000oz gold (403,000oz Au Eq)**
- **Significant increase in high confidence JORC 'Proved' Ore Reserve category**

Australian gold-copper resources company, Mutiny Gold Ltd (**ASX: MYG**) ("Mutiny" or the "Company"), is pleased to announce a significant update to the JORC compliant ore reserve and 'Life of Mine' (LOM) production inventory for its Deflector Gold-Copper Deposit ("Deflector") in Western Australia.

Under the upgraded economic analysis the Deflector maiden initial Life of Mine ("LOM") production inventory has increased to 552,000 ounces of gold equivalent; including 442,000 ounces of gold, 21,000 tonnes of copper and 491,000 ounces of silver (refer Table 1 below for full details). This LOM production inventory includes a JORC reserve of 403,000 ounces of gold equivalent (See Table 2).

Mutiny Gold's Managing Director, John Greeve, said the upgraded Deflector LOM production inventory and Ore Reserve supports the Company's vision of being a significant producer.

"This is another significant milestone along the path to the commercialisation of Deflector, which, in turn, is the first step in Mutiny Gold becoming a major new Australian gold and copper producer.

"The new results have identified a 27% increase in gold reserves, while mine inventory in gold equivalent ounces has jumped by 20%. These reserves are the back-bone of an upsized mine plan which we look forward to releasing to the market shortly."

Mutiny Gold has produced these economic analyses using the August 2012 updated resource model produced by Widenbar and Associates. This model has used an Ordinary Kriged estimation using Micromine software, following on from a new interpretation generated by Continental Resource Management Pty Ltd.

The August 2012 Deflector analysis contains JORC-compliant mineral resources of 2.87Mt @ 6.41g/t gold, 6.82g/t silver and 0.95% copper for 729,000oz of Equivalent gold; including 591,000oz gold, 628,000oz silver and 27,000t of copper using a 0.5g/t gold cut-off grade. (See Table 6).

**Table 1 – Deflector LOM Statement by Resource Classification**

Deflector LOM Production Inventory – ASX release 18 October 2012								
Classification	Tonnes	Au (g/t)	Au (Oz)	Cu (%)	Cu (T)	Ag (g/t)	Ag (Oz)	Au (Oz Eq)
Measured	1,239,000	4.7	188,000	1.2	15,000	8.5	339,000	261,000
Indicated	876,000	4.4	125,000	0.4	4,000	3.0	85,000	144,000
Inferred	731,000	5.5	130,000	0.4	3,000	2.8	65,000	146,000
LOM Production Inventory*	2,846,000	4.8	442,000	0.8	22,000	5.3	489,000	552,000

The Gold Equivalence Calculation represents total metal value for each metal assuming 100% recovery, summed and expressed in equivalent gold grade or ounces.

The AUD metal prices used in the calculation were AUD\$1,700/oz Au, AUD\$8,000/t Cu, AUD\$27/oz Ag.

*LOM Production Inventory = The LOM Production Inventory total includes Inferred Resources that have been evaluated using all mining modifying factors; however the current drill density for this Inferred Resource does not allow for conversion to Indicated Resource category and subsequently to a Reserve category.

Note – Totals may appear incorrect due to appropriate rounding.

Table 2 – Deflector Ore Reserve Statement

Deflector Ore Reserves – ASX release 18 October 2012								
Classification	Tonnes	Au (g/t)	Au (Oz)	Cu (%)	Cu (T)	Ag (g/t)	Ag (Oz)	Au (Oz Eq)
PROVED	1,253,000	4.6	187,000	1.1	14,000	8.4	339,000	262,000
PROBABLE	895,000	4.2	122,000	0.3	3,000	2.9	84,000	141,000
TOTAL	2,148,000	4.5	310,000	0.8	19,000	6.1	423,000	403,000

The Gold Equivalence Calculation represents total metal value for each metal assuming 100% recovery, summed and expressed in equivalent gold grade or ounces.

The AUD metal prices used in the calculation were AUD\$1,700/oz Au, AUD\$8,000/t Cu, AUD\$27/oz Ag.

Note – Totals may appear incorrect due to appropriate rounding.



Open Pit Ore Reserve

The open pit ore reserve has been optimised by Entech Mining Consultants using mining software package NPV Scheduler 4. The pit shell selection for the Deflector open pit was based on several factors including NPV, mining strip ratios and other factors surrounding the underground operations. The Deflector Open Pit Ore Reserve is summarized in Table 3:

Table 3 – Deflector Open Pit Ore Reserve Statement

Deflector Open Pit Ore Reserves – ASX release 18 October 2012								
Classification	Tonnes	Au (g/t)	Au (Oz)	Cu (%)	Cu (T)	Ag (g/t)	Ag (Oz)	Au (Oz Eq)
PROVED	717,000	5.1	116,000	1.4	10,000	10.3	237,000	169,000
PROBABLE	132,000	2.9	12,000	0.3	0	1.5	6,000	14,000
TOTAL	849,000	4.7	129,000	1.3	11,000	8.9	243,000	183,000

The Gold Equivalence Calculation represents total metal value for each metal assuming 100% recovery, summed and expressed in equivalent gold grade or ounces.

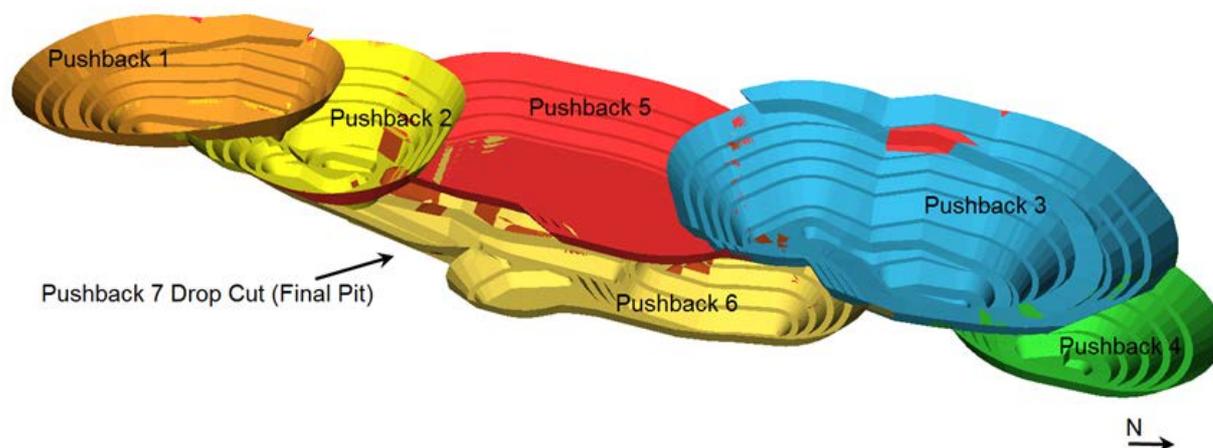
The AUD metal prices used in the calculation were AUD\$1,700/oz Au, AUD\$8,000/t Cu, AUD\$27/oz Ag.

Note – Totals may appear incorrect due to appropriate rounding.

- A minimum mining width of 2 metres and a 0.3m dilution envelope has been applied reflecting mining equipment constraints
- Metal price assumptions for ore reserves are AUD\$1,700 per ounce of gold, AUD \$8,000 per tonne of copper and AUD \$27 per ounce of silver
- Throughput rates used were 480,000tpa for oxide and transition material and 380,000tpa for fresh material

The open pit will be mined using 7 pushbacks (Figure 1). Pushback 1 and 2 will be mined first, establishing a small open pit in the south of the operation, giving access to the proposed underground portal location. On the completion of Pushback 1 and 2, the open pit and underground operations can be mined simultaneously.

Figure 1 – Deflector Open Pit – Proposed Stages





Underground Ore Reserves

The underground mining reserve has been optimised by Entech Mining Consultants using Mine 2-4D commercial software to generate the optimised development and stope shapes for Deflector. The Deflector Underground Ore Reserve is summarised in Table 4:

Table 4 – Deflector Underground Ore Reserve Statement

Deflector Underground Ore Reserves – ASX release 18 October 2012								
Classification	Tonnes	Au (g/t)	Au (Oz)	Cu (%)	Cu (T)	Ag (g/t)	Ag (Oz)	Au (Oz Eq)
PROVED	536,000	4.1	71,000	0.8	4,000	5.9	102,000	93,000
PROBABLE	763,000	4.5	110,000	0.4	3,000	3.2	78,000	127,000
TOTAL	1,299,000	4.3	181,000	0.6	8,000	4.3	180,000	220,000

The Gold Equivalence Calculation represents total metal value for each metal assuming 100% recovery, summed and expressed in equivalent gold grade or ounces.

The AUD metal prices used in the calculation were AUD\$1,700/oz Au, AUD\$8,000/t Cu, AUD\$27/oz Ag.

Note – Totals may appear incorrect due to appropriate rounding.

- Underground mining will involve extraction of ore by both development mining and longhole stoping methods in a top-down sequence leaving rib pillars as required to maintain mine stability
- Metal price assumptions for ore reserves are AUD\$1,700 per ounce of gold, AUD\$8,000 per tonne of copper and AUD\$27 per ounce of silver
- Throughput rates used were 380,000tpa for fresh material
- Mining costs are derived from budget pricing submitted by two mining contractors based on a similar previously completed underground design for Deflector
- A state royalty of 2.5% was applied to the reserves
- Metallurgical recovery data (Table 5) was based on studies undertaken by an independent third party (SGS) and reviewed by design engineers (GR Engineering Services Ltd)

Table 5 – Deflector Deposit Metallurgical Recoveries

Ore Type	Gold Recovery			Copper Recovery	
	Gravity	Flotation	Total	Total	Grade
Oxide	39%	39%	78%	55%	35%Cu
Transition	45%	49%	94%	84%	20%Cu
Fresh	56%	35%	91%	93%	23%Cu



Figure 2 – Plan and three-dimension view of Deflector Mine Designs

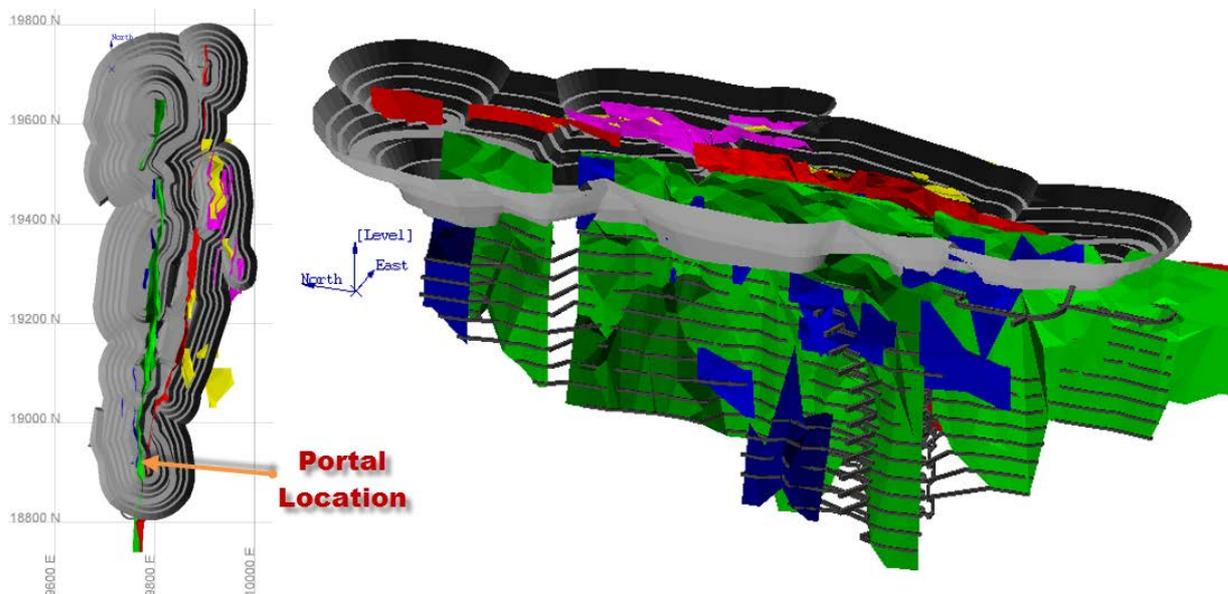


Table 6 Deflector Deposit Mineral Resources

Deflector Mineral Resource Statement – ASX release 21 August 2012								
		Au	Au	Cu	Cu	Ag	Ag	Au Eq
Classification	Tonnes	(g/t)	(oz)	(%)	(t)	(g/t)	(oz)	(oz)
Measured	1,164,000	6.0	223,000	1.5	17,000	10.9	407,000	310,000
Indicated	859,000	6.1	167,000	0.6	5,000	4.1	114,000	193,000
Measured & Indicated	2,023,000	6.0	390,000	1.1	22,000	8.0	521,000	503,000
Inferred	842,000	7.4	201,000	0.6	5,000	4.0	107,000	227,000
Totals	2,865,000	6.4	591,000	1.0	27,000	6.8	628,000	729,000

A 0.5g/t gold cut-off grade was used for reporting purposes.

The Gold Equivalence Calculation represents total metal value for each metal assuming 100% recovery, summed and expressed in equivalent gold grade or ounces.

The AUD metal prices used in the calculation were AUD\$1,500/oz Au, AUD\$7,100/t Cu, AUD\$25/oz Ag.

Note – Totals may appear incorrect due to appropriate rounding.



About Mutiny Gold

Mutiny Gold Ltd is a diversified resource company focused on the exploration and development of its gold, copper and nickel tenements in Western Australia. The Company's lead project is the Deflector Gold/Copper Deposit, which is within the Gullewa tenements located in the South Murchison region of Western Australia. The Company intends to become a significant gold producer with a focus on commencing production at its Deflector and White Well Deposits in the near future. Currently Deflector Deposit resources stand at 729,000oz of Equivalent gold including 591,000oz gold, 27,000t of copper and 628,000oz silver (Table 6), with significant resource expansion targeted through ongoing, systematic exploration at Deflector. In June 2012 the Company successfully completed a Bankable Feasibility Study on the Deflector Deposit showing robust economics. Mutiny Gold through a balanced mix of exploration and development is on track to become a significant gold and copper producer for the benefit of all stakeholders.

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 Ltd (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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**Competent Persons Statement:**

The Open Pit mining aspects in this report which relates to Mining Reserve is based upon a review of the Xstract Reserve Report 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 2004 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 Open Pit and Underground mining aspects in this report which relates to Ore Reserves and LOM production is based upon information compiled by Mr Shane McLeay – B.Eng, Principal Consultant – Mining of Entech Pty Ltd. Mr McLeay 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 2004 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr Macleay 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 Mineral Resources are based upon information compiled by Mr. Lynn Widenbar, Principal Consultant – 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 2004 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 which relates to Mining Reserve is based upon information compiled by Mr. Alan Brown, Non-Executive Director, Mutiny Gold. Mr Brown 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 2004 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr Brown 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 Corporate Exploration Target is based upon information compiled by Mr. John Doepel, Principal Geologist – Continental Resource Management. Mr Doepel 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 2004 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr Doepel consents to the inclusion in the report of the matters based on his information in the form and context in which they appear.