



AGREEMENT SIGNED FOR IMMEDIATE START UP OF DESIGN AND CONSTRUCTION FOR MUTINY GOLD'S DEFLECTOR PROJECT PROCESSING PLANT

Highlights:

- **Agreement to award the EPC contract signed with GR Engineering**
- **GR Engineering to begin design and construction phase immediately**
- **Long lead items to be ordered early**
- **Q4 2013 production start-up targeted**

Australian gold-copper resources company, Mutiny Gold Ltd (**ASX:MYG**) ("**Mutiny**" or the "**Company**"), is pleased to advise it has signed an agreement with GR Engineering Services Limited (**ASX:GNG**) ("**GR Engineering**") to enter an Engineering, Procurement & Construction (EPC) contract for the Deflector Project ("**Project**") in Western Australia's Mid-West Region.

The agreement also facilitates GR Engineering's commencement of phase 1 of the design and engineering process for the Deflector Project's processing facility, with Mutiny targeting a production start-up for the plant by the last quarter 2013, subject to the date for site mobilisation and timing to project funding.

GR Engineering, which has confirmed it will start work immediately, has been intimately involved with the project during the course of the Bankable Feasibility Study (BFS) and Definitive Feasibility Study (DFS), completing the initial design and cost estimates.

As part of the agreement, GR Engineering has been engaged to commence early initiation activities including engineering design, office mobilisation of key personnel, procurement of long lead equipment items and the preliminary engagement of sub-contractors and site works planning, enabling the Project to progress while finance is finalised.

The recently completed due diligence by Mintrex Engineering on the GR Engineering DFS capital cost estimates and GR Engineering's extensive knowledge of the Project were instrumental in the selection of GR Engineering as the preferred candidate to deliver the Project on an EPC basis.



Alongside the signing of the EPC agreement with GR Engineering, the Deflector Project remains on target for production to commence in the last quarter of 2013 through:

- Procurement of the ball mill;
- Completion of the accommodation camp tender process;
- Completion of the mining contract tender process; and
- Near completion of all permitting requirements.

Mutiny Gold Managing Director, John Greeve, said the decision to award the EPC contract to GR Engineering represents an exciting new phase.

“We are pleased to have a well respected EPC company like GR Engineering working with the Mutiny team to bring the high-grade, low cost Deflector copper-gold project to development.

“What is particularly pleasing is the strong commitment GR Engineering has made to begin work on Deflector immediately, which is a strong reflection on the quality of the Deflector project.

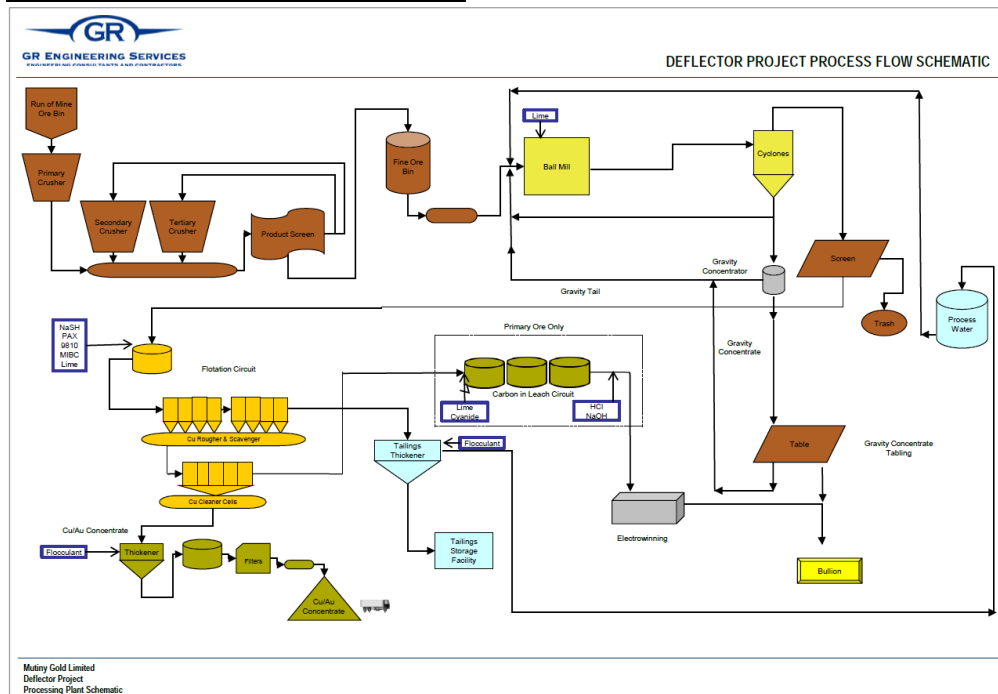
“We look forward to working closely with GR Engineering as we continue to achieve further important Deflector development milestones.”

Commenting on the award of the EPC, Managing Director Joe Ricciardo, said “GR Engineering is pleased to continue its involvement with the Deflector Project through undertaking Project delivery and after having worked closely with Mutiny on the Project’s feasibility studies.”

Processing Plant

The proposed Deflector plant is comprised of a three stage crushing circuit incorporating a conventional jaw and two cone crushers, single stage ball mill, gravity recovery centrifuges, flotation circuits, concentrate thickener and filter followed by tailings storage; all at a design capacity of 480 ktpa for oxide and transition ore and 380 ktpa for the primary ore. The process flowsheet is shown in Figure 1 below.

Figure 1 – Deflector Project Process Flowsheet



- **Crushing Ore and Storage:** ore extracted from the mine will be trucked to the surface and delivered to the ROM pad where it will be stockpiled. It will then be fed through a three stage crushing process. The Primary Crusher will be a single toggle jaw crusher with the Secondary and Tertiary Crushers being cone crushers.
- **Grinding:** crushed ore will be ground using a 4.2m diameter, 5.3m long primary ball mill with 1650kw motor.
- **Gravity Recovery:** gravity recovery will be used to recover the gravity gold via two centrifugal concentrators.
- **Rougher Flotation:** comprises a bank of eight forced air, mechanically agitated cells (8m³ each).
- **Cleaner Flotation:** comprises of a bank of five forced air, mechanically agitated cells.
- **Concentrate Dewatering:** concentrate from the cleaner circuit is pumped to the 5m diameter, high rate, concentrate thickener, followed by a concentrate filter to produce a cake for bagging and transport.
- **Tailings Storage:** an existing tailing storage facility will be expanded for the project, with adequate capacity to store 7 years of process tailings.
- **Total Recovery of gold** is approximately 93% including gravity and flotation.

**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. Currently Deflector Deposit resources stand at 729,000oz of Equivalent gold including 591,000oz gold, 27,000t of copper and 628,000oz silver, with significant resource expansion targeted through ongoing, systematic exploration at Deflector. In October 2012 the Company successfully completed a Definitive 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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