

Corporate Details

Ordinary Shares:
756,695,372

Market Capitalisation:
~A\$110 million

Cash at 30 June 2016:
~\$A20.0 million

Debt
NIL

ASX Code: MOY

Board of Directors

Richard Procter
Non-Executive Chairman

Greg Bittar
Executive Director

Michael Chye
Non-Executive Director

Ross Gillon
Non-Executive Director

Tim Kennedy
Non-Executive Director

Management

Glenn Dovaston
Chief Executive Officer

Richard Hill
Chief Financial Officer

Pierre Malherbe
Company Secretary

Peter Cash
GM Corporate Development

Hardy Cierlitz
Chief Geologist

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Millennium starts first deep-drilling campaign at Nullagine Gold Project, WA

Initial program to target high-grade extensions below existing open pits

Key points

- First targeted deep-drilling program at Nullagine now underway
- Strong potential highlighted by excellent results achieved from a small number of historical drill holes below existing pits
- Positive historical results not followed up and no systematic deep drilling programs previously undertaken
- Deeper targets demonstrate strong potential for depth extensions which could significantly increase mine life
- Drilling data will also be used to support a preliminary scoping study to modify the Nullagine processing plant to process fresh ore material

Millennium Minerals Limited (Millennium or Company – ASX: MOY) is pleased to advise that it has embarked on the next phase of its strategy to grow mine life at its Nullagine Gold Project (the Project) in WA (**Figure 1**), with the commencement of a first pass deep drilling program targeting mineralisation beneath several shallow open pits.

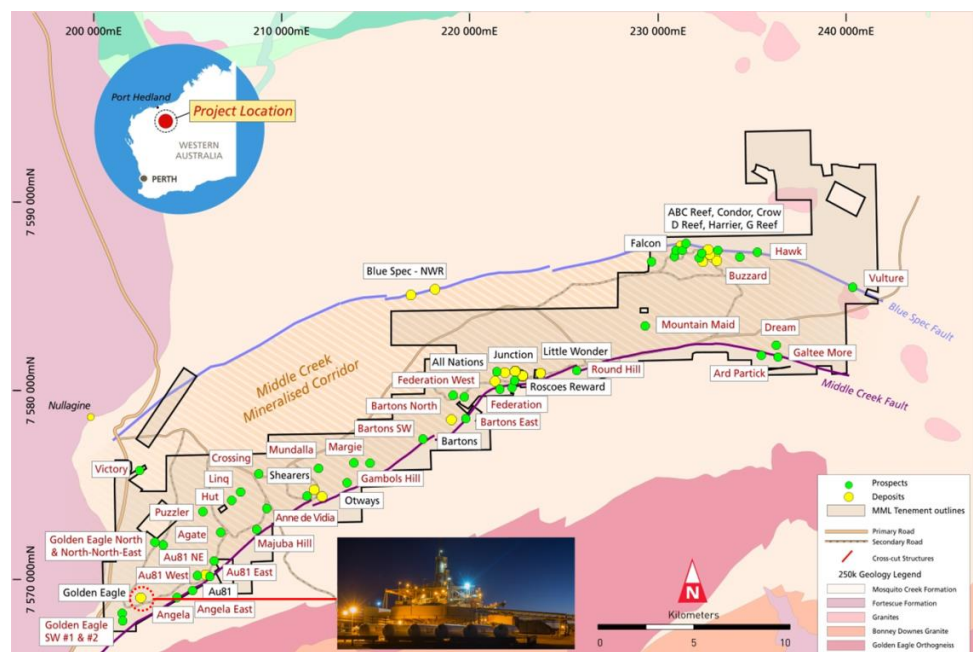


Figure 1: Nullagine Gold Project Location Plan over regional geology



This first pass deep drilling program is aimed at identifying extensions to mineralisation at a vertical depth of between 50m and 170m beneath the Bartons, Shearers and All Nations deposits. Planning has also commenced to design deep drilling programs at several other deposits within the Project. The first pass program is planned to comprise approximately 25 holes for 4000m.

Limited historical drilling at these deposits has returned highly promising results which demonstrate that mineralisation continues at depth, below the extents of the shallow open pits. Despite the success of this limited historical drilling, the emphasis on establishing the project based on the shallow oxide mineralisation meant no systematic follow-up deeper drilling was done.

Previous drilling below the Bartons pit returned **10m @ 4.88g/t Au** including **5m @ 8.84g/t Au**, **7m @ 7.73g/t Au** including **4m @ 5.54g/t Au** and **27m @ 1.97g/t Au** including **3m @ 9.90g/t Au**. Drilling at Bartons will initially target the interpreted high grade down plunge extensions to a vertical depth of approximately 150m below surface (**Figure 2**).

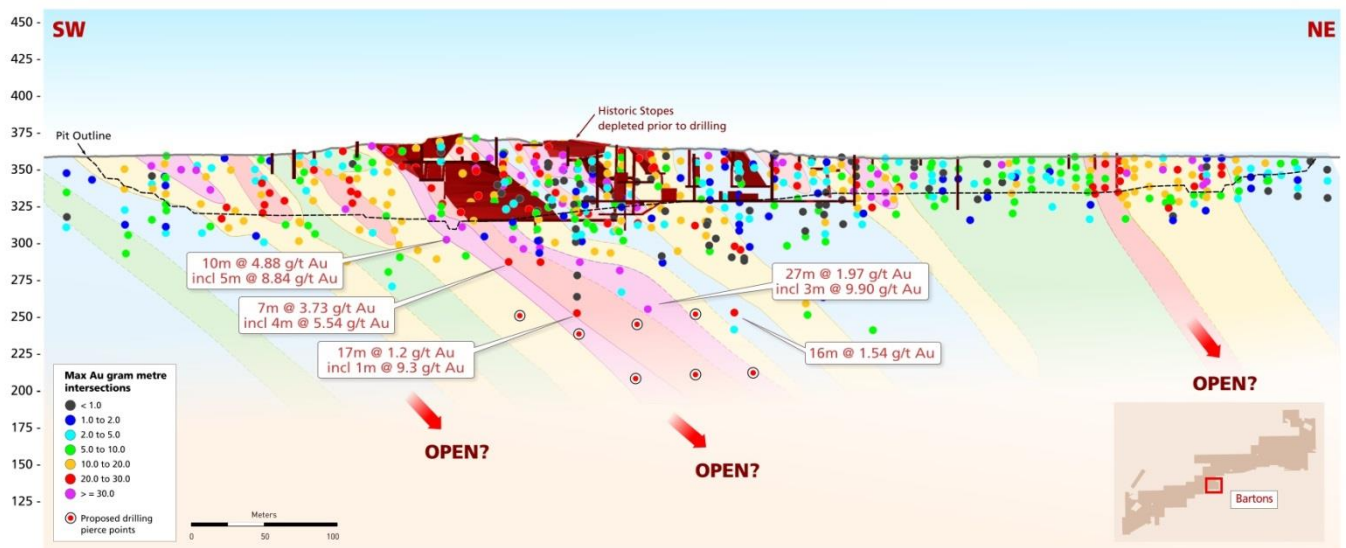


Figure 2: Bartons long section showing gram meter contours, historical intercepts and planned drilling

Previous drilling beneath the Shearers pit returned **41m @ 4.20g/t Au**, including **3m @ 29.50g/t Au**, **14m @ 6.57g/t Au**, **5m @ 7.50g/t Au** and **25 @ 1.26 g/t Au** (**Figure 3**).

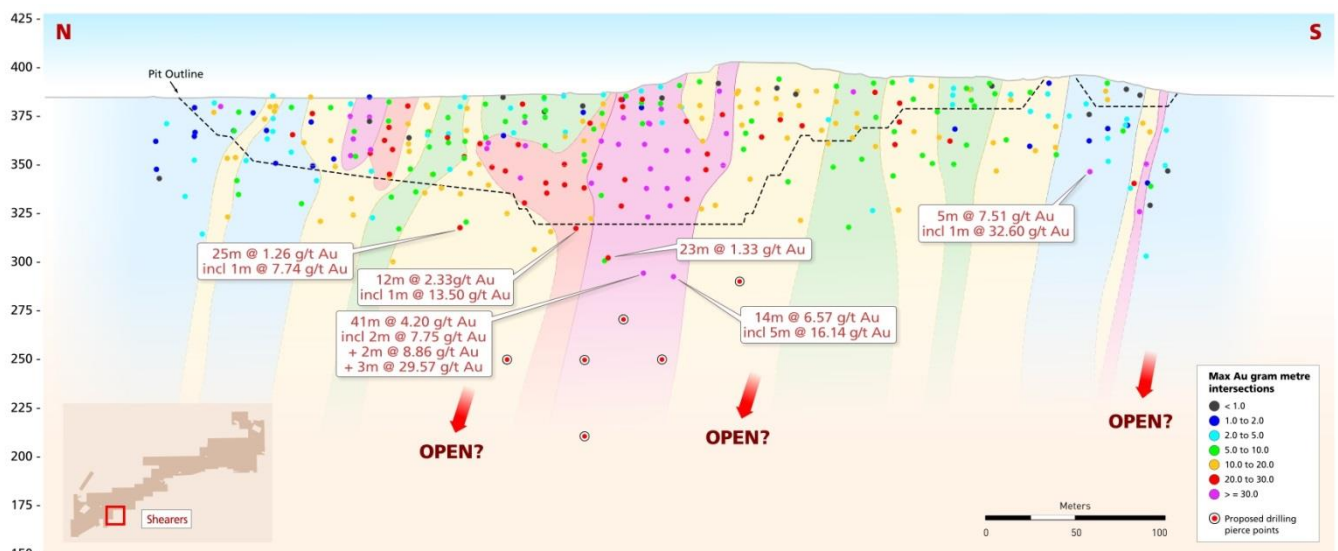


Figure 3: Shearers long section showing gram meter contours, historical intercepts and planned drilling



Drilling at Shearers will initially target the interpreted high grade down plunge extensions to a maximum vertical depth of approximately 170m below surface. (**Figure 3**).

At the All Nations pit, the deeper drilling hit **19m @ 6.15g/t Au** including **3m @ 33.27g/t Au**, **23m @ 1.95g/t Au** including **2m @ 6.92g/t Au**, **13m @ 2.63g/t Au** including **3m @ 7.00g/t Au** and **8m @ 2.29g/t Au** (**Figure 4**). Drilling at All Nations will initially target the interpreted high grade down plunge extensions to a maximum vertical depth of approximately 120m below surface (**Figure 4**).

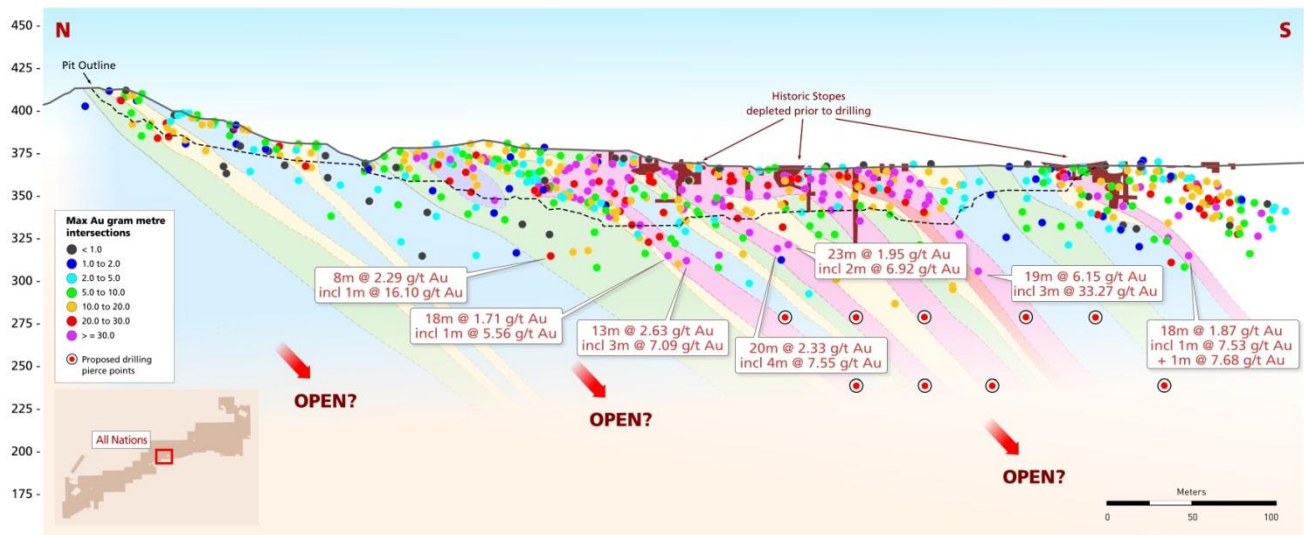


Figure 3: All Nations long section showing gram meter contours, historical intercepts and planned drilling

Millennium Chief Executive Glenn Dovaston said the historical results showed there was significant potential to grow Nullagine's gold inventory at depth.

"We continue to establish extensive shallow oxide mineralisation with strong drilling results from virtually every prospect tested within the Project this year," Mr Dovaston said.

"The combination of our ongoing success close to surface together with these historical results gives us every confidence in the potential at depth.

"This program has the potential to play a key role in our strategy to grow the inventory and mine life at Nullagine."

As part of its Nullagine growth strategy, Millennium has also initiated a study to examine the potential for processing fresh rock hosted mineralisation through the Nullagine Processing Plant.

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Competent Persons Statements – Exploration Results

Mr Andrew Dunn (MAIG), a geologist employed full-time by Millennium Minerals Limited, compiled the technical aspects of this Report. Mr Dunn is a member of the Australian Institute of Geoscientists and has sufficient experience that is relevant to this style of mineralization and type of deposit under consideration and to the activity that is being reported on 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 Dunn consents to the inclusion in the report of the matters in the form and context in which it appears.