

Crater Gold Mining Limited ABN 75 067 519 779

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Australian Securities Exchange

SCOPING TESTWORK UNDERWAY ON GRAPHITE FROM THE GOLDEN GATE PROJECT, CROYDON, NORTH QUEENSLAND

- **Metallurgical scoping testwork**
- **Petrographic and mineralogical examination**

The Company (Crater Gold Mining Limited, ASX: CGN) is pleased to announce that it has commenced graphite scoping testwork on drill core from the recent Golden Gate Project drilling program at Croydon in North Queensland.

A composite sample from the top section of the graphite mineralisation intersected in drill hole GGDDH 1701 is being prepared for metallurgical scoping testwork to determine graphite quality, grain size and potential recoveries.

Core samples from the two diamond drill holes have been submitted for petrographic examination. This will visually identify grain sizes and percentages of the minerals present and determine alteration assemblages, style of graphite mineralisation and hopefully provide evidence for the likely graphite emplacement mechanism and source.

Representative samples have also been selected for MLA (Mineral Liberation Analysis) scans, designed to determine if there are any deleterious minerals associated with the graphite and to determine the graphite grain size characteristics.

The graphite mineralisation intersected at Golden Gate appears to be very similar to the mineralisation reported by Metallica Minerals (ASX Release 10 December 2015) from their Esmeralda Graphite occurrence located some 70 km south of Croydon. Metallica Minerals have subsequently announced (ASX Release 24 May 2016) that metallurgical testwork has indicated high graphite purity and high recovery rates. This provides encouragement that similar results may be obtained from the Golden Gate graphite testwork.

Managing Director Russ Parker stated:

"We will now wait to see the results of the testwork. If they are positive, as we hope, for the rest of the year we plan to continue further drilling and testing the graphite areas identified by the historical drilling to advance the project while also evaluating commercial possibilities".

For further information contact:

Mr Russ Parker
Managing Director

The information contained in this report that relates to Exploration Results at the Golden Gate Graphite Project near Croydon, Queensland, is based on information compiled by Ken Chapple, who is an Associate Member of The Australasian Institute of Mining and Metallurgy and a Fellow of the Australian Institute of Geoscientists. Mr Chapple has sufficient experience relevant to the style of mineralisation and type of deposit involved to qualify as a Competent Person as defined in the 2012 JORC Code. Mr Chapple is an independent principal geological consultant with KCICD Pty Ltd and consents to the inclusion in the report of matters based on his information in the form and context in which it appears.

Forward Looking Statements: This Announcement contains certain forward looking statements. The words "anticipate", "believe", "expect", "anticipated", "encouragement", "optimism", "project", "forecast", "estimate", "likely", "intend", "should", "could", "may", "target", "plan" and other similar expressions are intended to identify forward looking statements. Forward-looking statements are

subject to risk factors associated with the Company's business, many of which are beyond the control of the Company. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially from those expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements. You should not place undue reliance on forward-looking statements and neither Crater Gold Mining Limited nor any of its directors, employees, servants, advisers or agents assume any obligation to update such information.