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Australian Securities Exchange

## Mixing Zone exploration to resume at Crater Mountain, PNG

- Underground drive development to connect High Grade Zone (HGZ) and Mixing Zone (MZ) at Crater Mountain
- Existing infrastructure enables immediate and cost effective access for development
- Mapping and sampling will provide fresh interpretation of Nevera Prospect containing HGZ and MZ projects
- Potential to identify zones of high grade mineralisation within MZ project that could be exploited concurrently with HGZ

Crater Gold Mining Limited (ASX: CGN or the Company) is pleased to announce that it is planning to resume exploration within the “Mixing Zone” at Crater Mountain, PNG, with a view to carrying out diamond drilling in a broad 300m zone between the HGZ and the Mixing Zone for which there is no historical data. Generally difficult and extreme topography meant that it was not possible to place suitable drill platforms on surface during the previous drilling campaign ending in 2012.

Development at the HGZ gold mining project since 2013 at the 1960m Level now provides the infrastructure and underground access to be able to construct underground drill platforms.

This will require an extension of the existing underground HGZ drive for approximately 250m east placing it in the middle of the “Mixing Zone” and passing through the zone with no data.

Immediate benefits of this development will arise from mapping and sampling fresh rock exposures and hence fresh interpretation of controls to mineralisation. It will also provide an accurate cross section of the hitherto unmapped or drilled zone. Interpretation will allow formative decisions to be made regarding future drilling and the potential to identify the higher grade gold mineralisation within the MZ project that could be exploited concurrently with HGZ.

Managing Director Russ Parker stated:

*“This is a great opportunity for us to gain additional benefits from the HGZ development mining of the past few years allowing us to further increase the potential of the Nevera prospect and increase mine life.”*

There remains potential to increase the current JORC compliant resource of 24Mt at 1.0 g/t Au for 790,000 ounces at the Mixing Zone project at Crater Mountain (refer ASX Release of 24 November 2011: “Crater Mt – Initial Resource Estimate”). This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it

was last reported. The Company is not aware of any new information or data that materially affects the information contained in that ASX release. All material assumptions and technical parameters underpinning the resource estimate continue to apply and have not materially changed).

Crater Mountain is located 50 km southwest of Goroka in the Eastern Highlands Province of PNG. Formerly a tier-1 BHP asset, there has been in excess of 14,500 metres of diamond drilling to date, the majority focussed on the Nevera prospect, which hosts the HGZ mine.

For further information contact:

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#### **Competent Person Statement**

*The information contained in this report relating to Exploration Results at Crater Mountain PNG is based on and fairly represents information and supporting documentation prepared by Mr R Johnson, PNG General Manager of Crater Gold Mining Limited. Mr Johnson is a Fellow of The Australasian Institute of Mining and Metallurgy and has the relevant experience in relation to the mineralisation being reported upon 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 Johnson consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.*