

28 November 2017

Australian Securities Exchange

GRAPHITE MINERALISATION INTERSECTED - GOLDEN GATE DRILLING PROGRAMME

- Drilling of diamond core holes has commenced
- Graphite mineralisation has been intersected in the first hole at approximately 29.3m
- Samples to be submitted for assay and metallurgical and mineralogical testwork

The Company (Crater Gold Mining Limited, ASX: CGN) is pleased to announce an exploration update on the Golden Gate Graphite project (refer ASX announcement 16th October 2017)

Drilling of the first hole commenced on the 24th of November with graphite mineralisation intersected at approximately 29.3m (refer to Figure1, to the uppermost part of this continuing open-ended intersection in the 29.3 to 36.8m interval).



Figure 1- Graphite mineralisation from approximately 29.3m

The program involves the drilling of two diamond cored holes for a total of up to 250 metres. Holes are being drilled to geotechnical standard using triple tube equipment.

Thick intersections of fresh graphite mineralisation are expected in both holes. Samples of the graphite intersections will be assayed for carbon and gold. Samples will also be dispatched for modern metallurgical and mineralogical testwork to determine the characteristics of the graphite.

Metallurgical testwork by previous explorers at Golden Gate has not been conclusive. Testwork that was previously undertaken by the Company on drill core and surface grab chip samples provided contrary results that indicated that some of the graphite samples may have been of amorphous quality. However, mineralogical examination of the drill core test samples suggested that the material may well have been flake graphite that had been pulverised by the action of the RC drilling bit used. Also, the surface grab chip samples were oxidised and not ideal for metallurgical testing.

For further information contact:

Mr Russ Parker
Managing Director
+61 8 6188 8181

Competent Persons Statement

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 been assisting the Company as a technical consultant relating to his areas of expertise. 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 may contain forward looking statements. The words 'anticipate', 'believe', 'expect', 'project', 'forecast', 'estimate', 'likely', 'intend', 'should', 'could', 'may', 'target', 'plan' and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also 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.