



Corporate Details

Ordinary Shares:
791,970,324

Market Capitalisation:
~\$150 million

Cash and bullion at 30 June 2018:
~\$13.6 million

Debt at 30 June 2018:
NIL

ASX Code: MOY

Board of Directors

Greg Bittar
Non-Executive Chairman

Bruno Lorenzon
Non-Executive Director

Tim Kennedy
Non-Executive Director

Peter Lester
Non-Executive Director

Management

Peter Cash
Chief Executive Officer

Dean Will
Chief Operating Officer

Ray Parry
Chief Financial Officer and
Company Secretary

Contact Details

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13th August 2018

First high-grade ore exposed at Bartons following outstanding progress with underground development

Development proceeding on time and on budget, with potential to commence stoping earlier than expected

- Underground development at Bartons making excellent progress, with 815 metres of development completed and the first high-grade ore face exposed
- Good ground conditions encountered to date, with consideration now being given to implementing a revised mining approach to deliver high-grade stoping ore ahead of schedule
- Underground development providing new drill platforms, with holes targeting Bartons depth extensions expected to commence in the December Quarter. Previously reported deep intercepts below the current Resource area include:
 - 41m @ 6.02g/t Au from 129m, incl. 2m @ 87.47g/t Au (BARD0285)
- Work has commenced on an underground Ore Reserve estimate for the Golden Gate Mining Centre consisting of the ABC Reef, D Reef, and Harrier deposits, as the basis of the Company's second proposed underground mine development at Nullagine



Figure 1: Bartons Underground 260 level, Main lode, North Ore Drive, with ore zone highlighted

Millennium Minerals Limited (ASX: MOY) ("**Millennium**" or the "**Company**") is pleased to advise that the development of its first-ever underground mine at the 100%-owned Nullagine Gold Project in WA is proceeding on time and on budget, with 815 metres of development completed to date at the new Bartons Underground Mine and underground ore development now underway.

Figure 1 above shows the cross-cut of the Bartons orebody looking to the north. Face samples have been taken and assay results are awaited.

All underground development has encountered good ground conditions, with consideration now being given to employing a revised "top-down" mining approach to access high-grade stope ore ahead of schedule.



Figure 2: Bartons Underground mining portal

Millennium had initially expected to deliver high-grade stoping ore from Bartons Underground in Q1 2019, however based on the better-than-expected ground conditions encountered to date, the Company now believes it may be possible to access the first stoping blocks during Q4 2018.

In addition to providing a new source of high-grade ore feed, the underground development at Bartons will also provide Millennium with underground drilling platforms from which to target further depth extensions to the Bartons orebody.

Deep drilling is expected to commence early in the December Quarter to follow up on previously-reported high-grade drill intercepts including 41m @ 6.02g/t Au from 129m, including 2m @ 87.47g/t Au in BARD0285 (see ASX Announcement 24 July 2017), which sits below the currently defined Mineral Resource area.

Based on the results of this deep drilling, the Company expects to include an updated Mineral Resource and Ore Reserve estimate for Bartons Underground as part of its December 2018 Resource and Reserve update.

Following the positive progress achieved at Bartons Underground to date, Millennium has also commenced work to deliver a maiden underground Ore Reserve estimate for the Golden Gate Mining Centre, consisting of the ABC Reef, D Reef and Harrier deposits.

The Company is targeting development of its second underground mine development at the Golden Gate Mining Centre and is working to progress the deposit towards a Decision to Mine by the end of 2018.

Millennium Chief Executive Peter Cash said the outstanding progress achieved at Bartons Underground provided strong encouragement for the potential development of additional underground mines at Nullagine.

"We are absolutely delighted by the results we've seen at Bartons so far, with excellent ground conditions and a wider-than-expected ore face encountered at the current development location. Based on the advice of our technical team, we're now actively considering changing to a 'top-down' mining method to access the high-grade stopes ahead of schedule.

"We believe this bodes extremely well for the development of additional underground mining operations at Nullagine, and we're now working to deliver a maiden Ore Reserve for the Golden Gate Mining Centre as the basis for our second proposed underground mine in the region.

"In addition, we are very keen to get an underground drill rig down to the underground drilling platforms to really test the depth potential of the Bartons deposit. We had some exceptional wide high-grade hits in this area late last year and drilling from underground will enable us to cost-effectively test the true extent of the deposit," he said.

Millennium has identified potential for substantial increases in Mineral Resources below the known gold deposits at Nullagine, but to date has only tested four out of more than 30 shallow oxide deposits at depth – with all delivering very positive results.

Drilling to target deeper underground Resources represents a key component of Millennium's strategy to increase the mine life at Nullagine from the currently-defined three years, to its targeted plus-five years based on a 100,000 ounce per annum production rate.

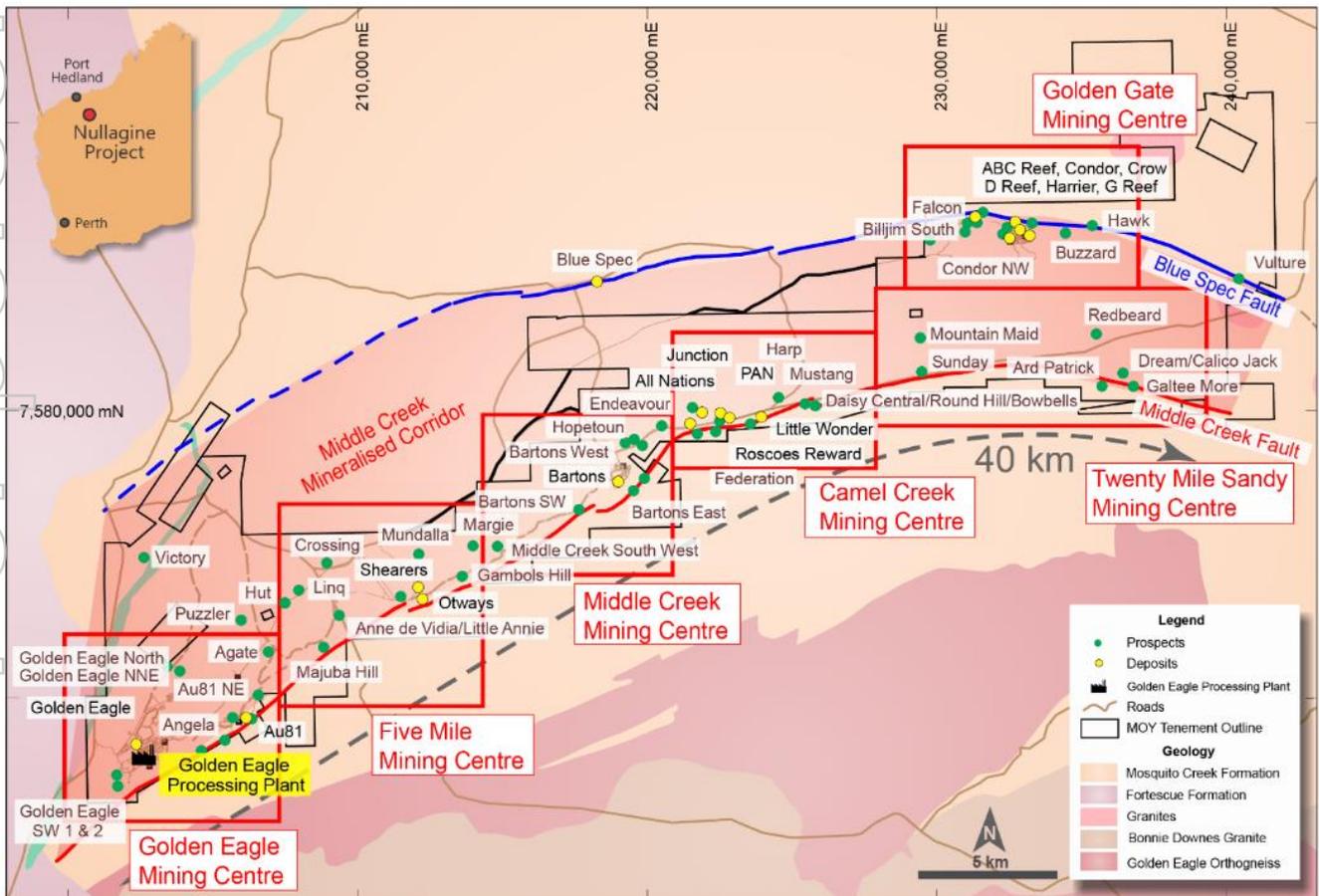


Figure 3: Nullagine Project Location Plan over regional geology

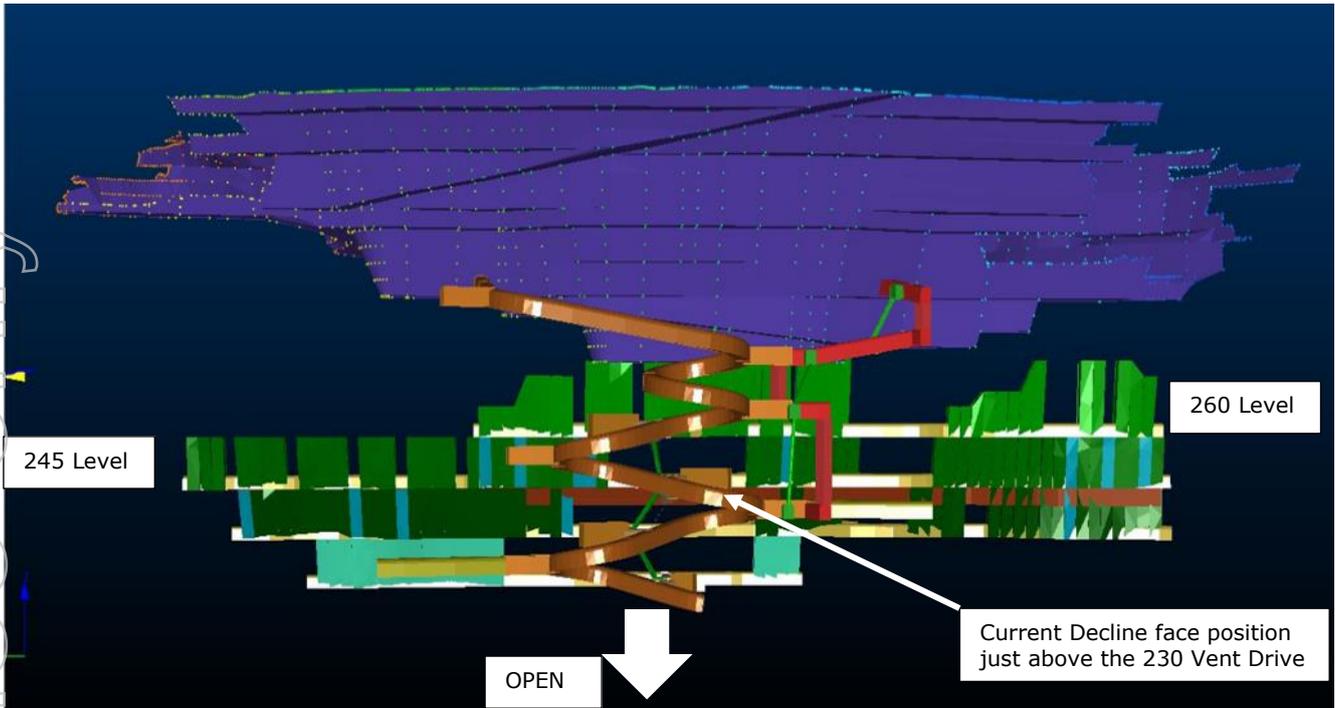


Figure 4: Updated diagram showing progress of underground development. The Bartons orebody remains open at depth

ENDS

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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.