



## Mutiny obtains record prices for Deflector de-risking hedge facility

- Hedging facility with Credit Suisse secured for Deflector Gold Copper Project
- Forward gold prices achieved higher than spot price for gold has ever reached
- Strong pricing reduces commodity price risk and underpins development of Deflector Gold Copper Project for Mutiny as it moves towards production in 2012
- Gold hedging of 50,000oz represents less than 8.5% of Mutiny's current JORC gold resource, thus maintaining strong and significant exposure to further gold and copper price appreciation

The Directors of Western Australian explorer and developer, Mutiny Gold Ltd (ASX: MYG) ("Mutiny" or "the Company"), are pleased to advise that the hedge facility associated with the recently announced finance facility with Credit Suisse has been finalised.

The finance facility, announced on 10 November 2011, provides Mutiny with \$11 million which will be used to fund the acquisition of the remaining 30 per cent of the Gullewa tenements (which include the Company's flagship Deflector Gold Copper Project) in the mid-west of Western Australia and the completion of a Definitive Feasibility Study on the Deflector Gold Copper Project early next year.

A component of this finance agreement was a Gold Hedging Facility for approximately 50,000 ounces, representing less than 8.5% of the total Gold Resources at Deflector. This forward sale of gold has now been executed and will see Mutiny deliver gold to Credit Suisse over the period July 2013 to December 2016. The average price received over the facility term is A\$1,847 per ounce which is above historical Australian gold pricing. The forward delivery price for the last delivery of gold is A\$1,920 per ounce, which is higher than the gold spot price has ever traded.

Commenting on the hedging facility, Mutiny's Managing Director, Mr John Greeve said, "the Board of Mutiny is delighted by the pricing that was achieved upon execution of the hedging facility. To have hedged a small component of our future gold production at record gold prices will greatly assist in de-risking the Company and the project as it moves towards production from Deflector in late 2012 / early 2013."

### ABOUT DEFLECTOR

The Deflector Gold Copper Project is located 450 km north of Perth, in Western Australia, 160 km east of the Port of Geraldton, within the Greenstone Belt, in the Murchison Province of the Archean Yilgarn Block.

It contains identified mineral resources totalling 590,000oz of gold and 25,000t of Copper (refer to Table 1).

A Scoping Study was completed in February 2011 (ASX announcement dated 14 February 2011) and the Company is now completing a Definitive Feasibility Study, with the aim of attaining full project finance.



The Scoping Study anticipates three and a half years of open pit mining, followed by six and a half years of overlapping underground mining, over a total project mine life of approximately ten years with gold recovery of 216,000 ounces of gold. The Scoping Study also recognised the high likelihood of expanding the production levels and extending the mine life.

The Company currently plans to commence production with an open pit mining operation at the Deflector Gold Copper Project in Quarter 4, 2012, followed by underground mining after two years.

The currently known Deflector Gold-Copper deposit contains Mineral Resources of 3.4Mt @ 5.4g/t gold, 4.7g/t silver and 0.8% copper for **590,000oz gold**, 510,000oz silver and 25,500t copper, of which Measured and Indicated Resources total 1.5Mt @ 4.8g/t gold, 6.4g/t silver and 1.1% copper for 235,000oz of gold, 310,000oz of silver and 16,500t of copper (See Table 1 below).

**Table 1: Deflector Deposit – Total Resources**

Classification	Tonnes	Au (g/t)	Au (oz)	Cu (%)	Cu (t)	Ag (g/t)	Ag (oz)
Measured	930,000	4.3	130,000	1.3	12,000	6.8	200,000
Indicated	570,000	5.7	105,000	0.8	4,500	5.6	105,000
Inferred	1,900,000	6	350,000	0.5	9,000	3	200,000
<b>Totals*</b>	<b>3,400,000</b>	<b>5.4</b>	<b>590,000</b>	<b>0.8</b>	<b>25,500</b>	<b>4.7</b>	<b>510,000</b>

\* Note: Totals may appear incorrect due to appropriate rounding

**Competent Persons Statement:**

The geological information in this report which relates to Exploration Results and Mineral Resources is based upon information compiled by Mr J.J.G. Doepel, B.Sc (Hons), GradDipForSc, Dip Teach, Principal Geologist of Continental Resource Management Pty Ltd. Mr Doepel is a member of the Australasian Institute of Mining and Metallurgy and has sufficient expertise and experience which is relevant to the style of mineralisation and to the type of deposit under consideration to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Doepel consents to the inclusion in the report of the matters based on his information in the form and context in which they appear.

**Forward Looking Statements**

All statements other than statements of historical fact included in this announcement including, without limitation, statements regarding future plans and objectives of Mutiny Gold Limited (Mutiny) are forward-looking statements. When used in this announcement, forward-looking statements can be identified by words such as 'may', 'could', 'believes', 'estimates', 'targets', 'expects' or 'intends' and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this announcement, are expected to take place. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the company, its directors and management of Mutiny, that could cause Mutiny's actual results to differ materially from the results expressed or anticipated in these statements.

The company cannot and does not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this announcement will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements. Mutiny does not undertake to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this announcement, except where required by applicable law and stock exchange listing requirements.



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