

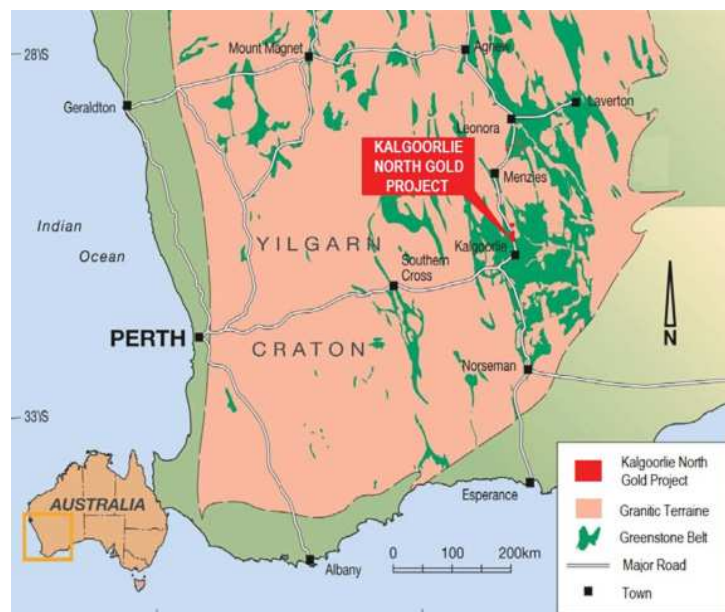


Excelsior doubles up its Kalgoorlie resource

Kalgoorlie-focused junior Excelsior Gold Limited has continued to prove up its credential as an explorer of note by more than doubling the resource at its flagship Kalgoorlie North Project over the past two years.

With a total resource of 21.41 million tonnes grading 1.73g/t gold for 1.19 million ounces the Kalgoorlie North Project now stands as a potentially attractive target for producers wanting to accumulate in-ground ounces. .

Importantly about 1.0 million ounces of the gold resources are concentrated in the Zoroastrian and Excelsior deposits which are located only 300 metres apart in the central part of the Project area. Both deposits offer large open pit mine potential and the higher grade Zoroastrian deposit also has potential for underground mine development.



Excelsior confirmed in a May 22 announcement to the ASX that it had temporarily delayed completion of a pre-feasibility study on the Project which incorporated the potential construction of a new treatment plant on site following approaches from other parties interested in the Project.

Just 45km north of Kalgoorlie the Kalgoorlie North Project is within easy reach of existing infrastructure and an available workforce.

Managing director David Hamlyn said that although Excelsior had appointed KPMG Corporate Finance to help assess its strategic options the Company remained committed

to expanding resources within the Project area.

"Excelsior is in an enviable position given the current volatile gold market," he said.

"We have an advanced gold project located close to existing treatment facilities, a small and successful exploration team and a strong financial position in excess of A\$5 million cash on hand."



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Announcing the latest resource upgrade in May, Hamlyn said the Project's Zoroastrian deposit had

"We've done the hard yards, we have a good understanding of the geology of the area and we've managed to prove up a resource in excess of half a million ounces at Zoroastrian in a relatively short period of time,"

he said

now proved its potential to be developed into a major open pit and underground mine.

"We believe the Zoroastrian mineralised system is potentially in excess of 2km long and extends to considerable depth. We've got an idea of what we're looking for and we are now targeting drill holes specifically to test down plunge extensions to the mineralisation"

he said.

Hamlyn said drilling at Zoroastrian was now targeting extensions to mineralised structures both within and outside the existing gold resource which is currently defined along a 1.4km system.

"Reverse circulation and diamond drilling have recently been completed on the deeper mineralisation at the Zoroastrian deposit to extend the resource to a vertical depth of approximately

