

## LUIRI GOLD INTERSECTS SHALLOW, HIGH-GRADE GOLD MINERALISATION AT DUNROBIN; FEASIBILITY STUDY ON TRACK

### Luirigold Limited

ASX Code: LGM

www.luirigold.com

### Corporate Structure

Shares on issue	195.73m
Options	21.1m
52 week high	A\$0.20
52 week low	A\$0.034

Cash (as at 31 July) A\$4.2m

### Company Directors

**Melissa Sturgess**  
Executive Chair

**Evan Kirby**  
Director and Chief Executive Officer

**Mike Langoulant**  
Executive Director

**Robert Brown**  
Non-Executive Director

### HIGHLIGHTS

- Dunrobin resource in-fill drilling has provided numerous high-grade intersections, of considerable width, and at shallow depth. Significant gold intercepts included:
  - **From Surface: 33 metres at 7.92 g/t**
  - **From 2 metres: 17 metres at 3.77 g/t**
  - **From 7 metres: 26 metres at 3.31 g/t**
  - **From 18 metres: 16 metres at 4.64 g/t**
  - **From 24 metres: 6 metres at 8.08 g/t**
  - **From 56 metres: 41 metres at 3.65 g/t.**
- Preliminary studies, to be confirmed by the Feasibility Study, show a robust project with strong economics;
- Dunrobin Feasibility Study on track for completion by mid-November;
- Engagement with debt funders has commenced with the objective of funding a large portion of the capital expenditure required via debt markets;

Luirigold CEO, Dr Evan Kirby said, *"We are pleased with the data from the Dunrobin infill drilling. The results confirm the existence of shallow, high-grade mineralisation below the floor of the existing open pit and this bodes well for the success of a future mining operation. Good progress is also being made with the Dunrobin Gold Project Feasibility Study, which envisages a fast track development in 2013 including the establishment of an open pit mining operation and 10,000 tons per month processing plant. Financial modelling to date indicates that the project is financially viable and will deliver attractive returns."*

Dr Kirby noted that the Dunrobin deposit represents less than a third of Luirigold's current gold resource, and that the area is still highly prospective for more gold mineralisation. *"Furthermore, all of Luirigold's current gold resources and existing exploration targets are covered by mining licence rather than exploration permits. This places Luirigold in an excellent position for fast track project development, with good potential for future blue sky production expansions"*.

## DUNROBIN GOLD PROJECT

### Feasibility Study Drilling Completed, Assays Received and Data Validated

Drilling to convert a portion of the Dunrobin mineral resource to a JORC “measured” category has been completed. All in-fill drilling gold assays have now been received. Survey and assay results have been entered in the geological database and the integrity of the data has been verified.

The body of results is consistent with the previous drilling and resource estimate. Importantly it has been pleasing to see the confirmation of the existence of shallow high-grade ore which will be available for early mining thereby improving production cash flows in the initial years.

A total of 55 vertical reverse circulation holes were drilled for 3,267 metres. From the 55 holes, there were numerous high-grade intersections of substantial length. Highlights of the drilling results are summarised in Table 1.

Table 1  
Highlights of the Feasibility Study Dunrobin In-fill Drilling Results

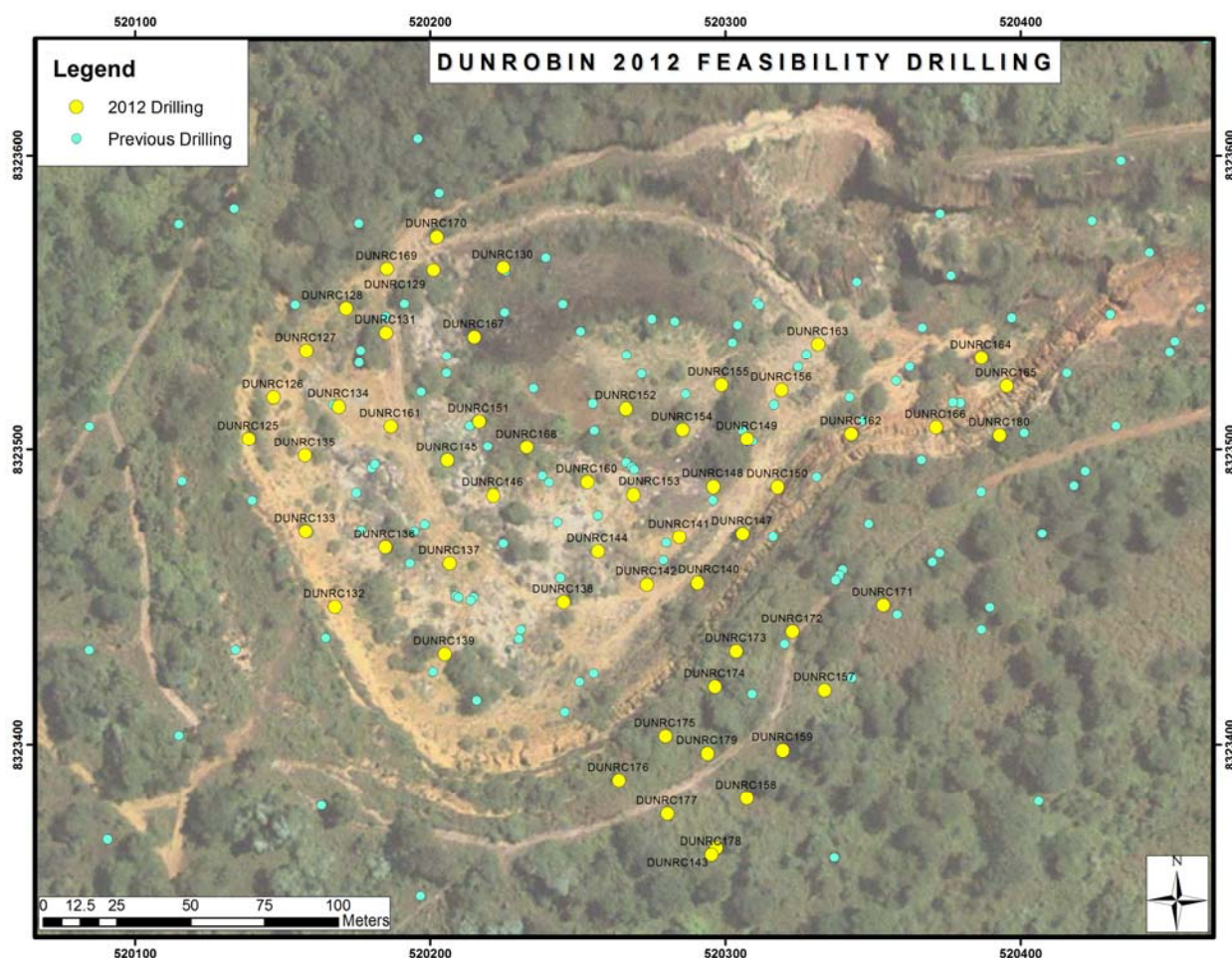
<b>Dunrobin Feasibility Drilling 2012</b>				
<b>Only Intersections &gt;1g/t Au and &gt;10g/t*m</b>				
<b>Drill Hole ID</b>	<b>Depth From (m)</b>	<b>Width (m)</b>	<b>Gold Value (Au g/t)</b>	<b>Gram-Meters (g/t * m)</b>
DUNRC125	50	13.0	2.46	31.94
<i>Includes</i>	<i>51</i>	<i>6.0</i>	<i>4.23</i>	<i>25.38</i>
DUNRC129	7	5.0	3.61	18.07
<i>Includes</i>	<i>10</i>	<i>1.0</i>	<i>11.76</i>	<i>11.76</i>
DUNRC130	0	2	4.36	8.72
DUNRC132	56	41.0	3.65	149.65
<i>Includes</i>	<i>59</i>	<i>5.0</i>	<i>8.45</i>	<i>42.24</i>
<i>Includes</i>	<i>70</i>	<i>6.0</i>	<i>5.24</i>	<i>31.43</i>
DUNRC133	48	14.0	4.17	58.34
<i>Includes</i>	<i>48</i>	<i>6.0</i>	<i>7.49</i>	<i>44.96</i>
DUNRC134	32	7.0	7.58	53.06
DUNRC135	39	3.0	8.8	26.39
DUNRC135	44	15.0	3.54	53.07
<i>Includes</i>	<i>46</i>	<i>4.0</i>	<i>10.19</i>	<i>40.75</i>
DUNRC136	49	14.0	3.65	51.11
<i>Includes</i>	<i>50</i>	<i>7.0</i>	<i>6.13</i>	<i>42.92</i>
DUNRC137	41	8.0	8.84	61.87
<i>Includes</i>	<i>44</i>	<i>5.0</i>	<i>12.57</i>	<i>50.28</i>
DUNRC138	0	3	3.47	10.41
DUNRC138	39	15.0	2.51	37.66
<i>Includes</i>	<i>48</i>	<i>1.0</i>	<i>8.33</i>	<i>8.33</i>
DUNRC139	24	6.0	8.08	48.48
<i>Includes</i>	<i>25</i>	<i>3.0</i>	<i>12.27</i>	<i>36.8</i>
DUNRC139	41	14	1.83	25.63
DUNRC140	65	8.0	5.41	43.31

<i>Includes</i>	66	2.0	7.84	15.69
DUNRC142	63	14.0	1.24	17.43
DUNRC145	7	26.0	3.31	86.01
<i>Includes</i>	7	1.0	18.68	18.68
<i>Includes</i>	30	2.0	15.62	31.25
DUNRC146	0	33.0	7.92	253.32
<i>Includes</i>	6	10.0	10.66	106.61
<i>Includes</i>	20	11.0	12.63	138.89
DUNRC148	0	12.0	3.33	40.01
<i>Includes</i>	0	7	5.20	36.37
DUNRC151	2	17.0	3.77	64.07
<i>Includes</i>	12	7.0	7.87	55.09
DUNRC160	2	4.0	3.13	12.51
DUNRC161	18	16.0	4.64	60.36
<i>Includes</i>	24	5.0	6.04	30.2
DUNRC161	28	1.0	15.62	15.62
DUNRC165	12	7.0	3.40	23.83
DUNRC166	0	3.0	3.59	10.78
DUNRC168	1	17.0	3.20	51.16
<i>Includes</i>	3	3	5.15	15.43
<i>Includes</i>	12	6.00	4.46	26.76
DUNRC175	39	6.0	2.78	16.68
DUNRC175	60	1.0	12.54	12.54
DUNRC179	44	6.0	6.42	38.53
<i>Includes</i>	46	4.0	8.53	34.11
DUNRC180	55	5.0	4.58	22.89
<i>Includes</i>	55	2.0	6.48	12.95

Most of the infill drilling was from inside the existing Dunrobin open pit. The dip of the mineralisation was approximately 30 degrees from horizontal and all of the drilling was vertical. True widths of the mineralisation are therefore about 87% of the intersection widths. Locations of the new holes relative to previous drill collars and the Dunrobin open pit are shown below in Figure 1.

Figure 1

Dunrobin Infill Drilling July 2012 (Yellow Markers) and Previous Holes (Blue Markers),



### Coffey Mining Appointed to Produce New Resource Estimate

Coffey Mining (Perth) has been engaged to produce a new JORC resource estimate for Dunrobin, which will include the results of the 2012 phase one, in-fill drilling campaign. This new resource estimate will be incorporated into the final Dunrobin Gold Project Feasibility Study.

Coffey has an established track record with the Luirigold Project and produced the current estimate of mineral resources at Dunrobin and Matala.

## **Dunrobin Gold Project Feasibility Study and Debt Funding**

Completion of the phase one, in-fill drilling and receipt of all assay results will enable a new resource to be calculated with a significantly higher degree of certainty than the current estimate. In addition, all metallurgical test-work to verify expected metal recoveries and consumables usage have been completed. These results have now been received and the Company expects to complete its feasibility study financial modelling, for development at Dunrobin, within the next 4-6 weeks.

The feasibility study is based upon development commencing in Q1 2013 with the establishment of an open pit mining operation at the existing Dunrobin open pit, together with the construction of an initial, modest 10,000 tons per month processing plant. Financial modelling to date indicates that the project is financially viable and will deliver attractive returns over a minimum 8 year project life. The Company's other exploration work is expected to increase the project life beyond the 8 year life, which was the subject of the current feasibility study.

The status of the preliminary financial models and the rapid progress of its feasibility studies have allowed the Company to commence discussions with a number of debt funders specialising in providing project funding for African mining projects. These preliminary discussions have been positive and financing applications will be lodged with a number of institutions during the next month. The Company is optimistic that it can secure an acceptable level of debt funding for the Dunrobin project.

### **ONGOING EXPLORATION ACTIVITIES**

Whilst the 2012 phase one in-fill drilling program has been completed the Company continues to make progress with other exploration efforts and will provide an update of these activities shortly.

A selection of photos from the Dunrobin project site can be found on the Company website at [www.luirigold.com](http://www.luirigold.com).

For further information please contact:

#### **Luirigold**

P: +61 8 6313 5155  
F: +61 8 9324 2977  
E: [info@luirigold.com](mailto:info@luirigold.com)  
W: [www.luirigold.com](http://www.luirigold.com)

#### **Media and Investor Inquiries:**

Karen Oswald / Greg Galton  
Cannings Purple  
Tel: +61 8 6314 6300  
[KOswald@canningspurple.com.au](mailto:KOswald@canningspurple.com.au)



## About Luir Gold Ltd

Luir Gold Limited is a gold exploration and development company that holds 2 mining licences in Zambia that cover the historic Dunrobin and Matala gold deposits. Coffey Mining Pty Ltd of Perth have estimated the current gold resource at the Matala and Dunrobin deposits to be a combined (indicated plus inferred) resource of 10.591 million tonnes at 2.2 g/t Au, for 758,000 ounces of gold, at a cut-off of 1.0 g/t. Refer to the below table.

Luir Hill Gold Project Summarized Resource Estimate at 1 g/t Gold Cut-Off				
Matala Deposit				
	Lower Cut-Off Grade (g/t Au)	Tonnes (000's)	Average Grade (g/t Au)	Ounces (000's)
Indicated	1.0	3,204	2.7	278
Inferred	1.0	4,525	2.0	290
Dunrobin Deposit				
	Lower Cut-Off Grade (g/t Au)	Tonnes (000's)	Average Grade (g/t Au)	Ounces (000's)
Indicated	1.0	1,851	2.3	134
Inferred	1.0	1,011	1.7	56
Matala and Dunrobin Deposits Combined				
	Lower Cut-Off Grade (g/t Au)	Tonnes (000's)	Average Grade (g/t Au)	Ounces (000's)
Indicated	1.0	5,055	2.5	412
Inferred	1.0	5,536	1.9	346

### Competent Person

*The information in this statement that relates to Mineral Resources is based on information compiled by Mr Brian Wolfe (BSc (Hons), MAIG), who is Member of the Australian Institute of Geoscientists. Mr Wolfe was employed by Coffey Mining at the time of the resource estimates and public release of results. As Mr Wolfe is now no longer employed by Coffey Mining, Coffey Mining has reviewed this presentation and consent to the inclusion, form and context of the relevant information herein as derived from the original resource reports for which Mr Wolfe's consent has previously been given. Mr Wolfe has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which is being undertaken to qualify as a Competent Person as defined in the 2004 Edition of the JORC 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.*

*The technical exploration and mining information contained in this Announcement has been reviewed and approved by Mr C White B Sc (Hons) in Applied Geology, General Manager for Luir Gold Limited. Mr White has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity to which he is undertaking 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 White is a contractor to Luir Gold Limited and is a Member of the Institute of Materials, Minerals and Mining. Mr White consents to the inclusion in this Announcement of such information in the form and context in which it appears.*