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Manager Company Announcements  
Company Announcements Office  
Australian Securities Exchange Limited  
Level 4, 20 Bridge Street  
**SYDNEY NSW 2000**



**MILLENNIUM**  
MINERALS LIMITED  
ABN 85 003 257 556

Dear Sir/Madam

### **Nullagine Gold Project in Full Production**

Millennium Minerals Limited (“Millennium” or the “Company”) is pleased to announce the commencement of full production at its Nullagine Gold Mine in the East Pilbara District of Western Australia. The start of full production marks completion of a very successful construction and commissioning phase and establishes a solid foundation for the Company’s 2013 financial year.

Operations during October indicated the plant operates to its design specification. The SAG mill ran at the design throughput rate of 189 tonnes per hour and appears capable of processing ore at a higher rate as net power draw is approximately 55% of design. Gold losses to tailings remain at expected levels with indicated recoveries above 90%.

The production objectives for the two remaining months are based on the design criteria for the process plant and would see gold production of approximately 6000 ounces monthly, depending on the head grade milled, at a design throughput of 125,000 tonnes per month. Ore supply will be sourced entirely from the Golden Eagle pit during the period. Reconciliation between the Ore reserve block model and grade control drilling of ore blocks mined has validated both ore tonnage and grade expectations. Planned mill grade is 1.72 g/t.

### **Millennium’s CEO Brian Rear commented:**

“We are delighted to be in a position to put the operation on a full production footing six weeks after the start of mill commissioning which reflects the excellent performance of the facility during the commissioning phase and the capabilities of our operations team and partners at the site. The performance of the plant in October and the resolution of any causes for delays beyond normal production experience underline the decision.”

## **Expansion Studies**

Between now and the end of December the true capabilities of the process plant will be tested to establish the base case for the expansion studies. The company is targeting a stage one expansion from design throughput of 1.5 million tonnes per annum (mtpa) to at least 1.7 mtpa treated for FY2013. The studies will look at requirements to further expand production above that level. The optimal level will most likely be determined by the throughput that requires minimal capital (if any) and fully utilises the mining fleet and process equipment currently available to the operation without adding materially to current manning levels.

Future production and cost guidance in respect of the 2013 financial year (Millennium's financial year ends in December) will be given in quarter one 2013.

## **Exploration**

The Company is planning a significant investment in resource and reserve drilling during 2013 centred on Golden Eagle, the central pits such as Shearers, and the far eastern deposits such as Golden Gate. In addition, extensive mapping during 2012 in and around these locations has yielded numerous new gold exploration targets that will be followed up to unlock the considerable geological potential of the Nullagine Goldfield.

The programme for 2013 will also include the start of exploration on the Golden Eagle south west corridor which includes the joint venture with the Creasy Group where Millennium is earning a 70% interest in the gold rights. The south west corridor project shows anomalous gold values extending two kilometres from the Golden Eagle deposit to the Company's western tenement boundary and a further five kilometres into tenements belonging to the Creasy Group.

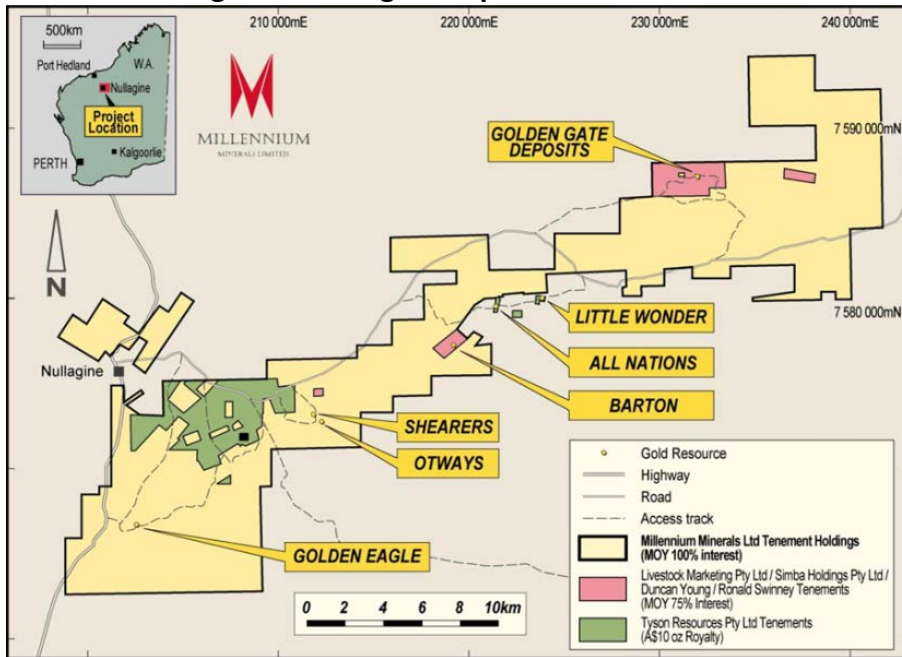
Potential for further joint venture and resource acquisition deals exist and that potential will be explored as and when the opportunity arises.

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## BACKGROUND - NULLAGINE GOLD PROJECT

The Nullagine Gold Project (Figure 1) has a 1.33 million ounce gold resource (Table 1) and 741,000 ounce Ore Reserve contained within 7 deposits on granted mining leases (Table 2). The largest deposit is Golden Eagle located approximately 10 km south of the township of Nullagine and containing 62% of the total Mineral Resource inventory. The recently commissioned gold process plant has a capacity of 1.5mtpa and at forecast head grade of 1.7 g/t Au will produce 73,000 ounces gold annually.

Figure 1: Nullagine Deposit Location Plan



Yours faithfully

**MILLENNIUM MINERALS LIMITED**

Brian Rear

**Chief Executive Officer**

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**Table 1. Nullagine Gold Project Mineral Resource Estimate December 2011 (0.5 g/t Au Cut off)**

Deposit	Measured		Indicated		Inferred		Total		
	Mt	Grade Au (g/t)	Mt	Grade Au (g/t)	Mt	Grade Au (g/t)	Mt	Grade Au (g/t)	Ounces
Golden Eagle <sup>2</sup>	13.61	1.23	4.44	1.03	4.2	1.06	22.27	1.16	829,000
Bartons <sup>3</sup>	1.72	1.21	1.44	1.17	0.55	1.12	3.71	1.2	141,000
Shearers <sup>3</sup>	0.59	1.27	1.48	1.01	0.26	1	2.33	1.1	81,000
Otways <sup>3</sup>	1.15	0.81	0.9	0.87	0.692	0.92	2.74	0.86	75,000
All Nations <sup>3</sup>	1.3	1.13	0.42	0.95	0.21	0.92	1.93	1.1	66,000
Little Wonder <sup>3</sup>	0.17	1.2	0.38	1.2	0.01	1.3	0.56	1.2	22,100
Golden Gate (ABCD Reef) <sup>4</sup>	-	-	0.58	3.24	0.11	2.6	0.68	3.12	69,000
Falcon <sup>5</sup>	-	-	0.09	3.9	0.04	4.4	0.14	4	18,000
Condor <sup>5</sup>	-	-	0.08	3.3	0.04	3.5	0.11	3.3	12,000
Harrier <sup>5</sup>	-	-	0.1	1.8	0.04	1.8	0.14	1.8	8,000
Crow <sup>5</sup>	-	-	0.02	4.5	0.02	4.5	0.04	4.5	5,000
G_Reef <sup>5</sup>	-	-	0.03	2.1	-	-	0.03	2.1	2,000
<b>Total</b>	<b>18.54</b>	<b>1.2</b>	<b>9.96</b>	<b>1.23</b>	<b>6.17</b>	<b>1.11</b>	<b>34.68</b>	<b>1.19</b>	<b>1,328,100</b>

**Notes:**

- 1 Figures in Table may not sum due to rounding.
- 2 The Golden Eagle deposit was estimated using Multiple Indicator Kriging methodology for grade estimation by CSA Global.
- 3 The Bartons, Shearers, Otways, All Nations and Little Wonder were estimated using Ordinary Kriging methodology for grade estimation by CSA Global.
- 4 The Mineral Resources at Golden Gate (ABCD reef) were estimated using Multiple Indicator Kriging methodology for grade estimation by Hellman and Schofield Pty Ltd.
- 5 The Mineral Resources at Golden Gate satellite deposits, namely Falcon, Harrier, Crow, G-Reef and Condor were estimated using Ordinary Kriging methodology for grade estimation by CSA Global.
- 6 The Golden Gate and Bartons deposits are the subject of a mining licence agreement whereby Millennium has the sole and exclusive right to explore and mine gold and other minerals. Millennium then is required to pay 25% of the net proceeds to the tenement owners (Livestock Marketing Pty Ltd, Duncan Thomas Young, Simba Holdings Pty Ltd and Ronald Lane Swinney) after mining and processing cost deductions.
- 7 Mineral Resource estimates include stated Ore Reserves

**Table 2. Nullagine Gold Project Ore Reserve Estimate December 2011**

Prospect	Proved		Probable		Total		Ounces
	tonnes	grade (g/t)	tonnes	grade (g/t)	tonnes	grade (g/t)	
Golden Eagle	10,348,000	1.3	1,545,000	1.2	11,893,000	1.3	508,000
Bartons	1,144,000	1.4	498,000	1.4	1,642,000	1.4	73,000
All Nations	536,000	1.4	38,000	1.2	574,000	1.4	26,000
Shearers	532,000	1.3	388,000	1.2	920,000	1.2	37,000
Otways	336,000	1.0	78,000	1.0	414,000	1.0	13,000
Little Wonder	145,000	1.2	113,000	1.3	258,000	1.3	10,400
Golden Gate							
ABCD			464,000	3.4	464,000	3.4	51,000
Condor <sup>2</sup>			72,000	3.1	72,000	3.1	7,300
Crow <sup>2</sup>			19,000	4.1	19,000	4.1	2,500
Falcon <sup>2</sup>			76,000	3.9	76,000	3.9	9,500
Harrier <sup>2</sup>			38,000	2.0	38,000	2.0	2,400
G reef <sup>2</sup>			11,000	2.0	11,000	2.0	700
<b>Total</b>	<b>13,041,000</b>	<b>1.3</b>	<b>3,340,000</b>	<b>1.5</b>	<b>16,381,000</b>	<b>1.4</b>	<b>740,800</b>

**Notes:**

- 1 Numbers may not sum due to rounding.
- 2 These deposits are collectively known as Golden Gate Area Satellite deposits.

### **Qualifying Statement**

*This release may include forward-looking statements. These forward-looking statements are based on Millennium's expectations and beliefs concerning future events. Forward-looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of Millennium, which could cause actual results to differ materially from such statements. Millennium makes no undertaking to subsequently update or revise the forward-looking statements made in this release, to reflect the circumstances or events after the date of this release.*

### **Competent Persons Statements – Exploration Results**

*Mr I Hay (MAIG), a geologist employed full-time by Millennium Minerals Limited, compiled the technical aspects of this report. Mr Hay 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 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Hay consents to the inclusion in the report of the matters in the form and context in which it appears.*

### **Competent Persons Statements – Mineral Resources**

*The information in this Report which relates to the **Golden Eagle Mineral Resource estimate** accurately reflects information prepared by competent persons (as defined by the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves). The Golden Eagle deposit Mineral Resource estimate has been compiled and prepared by Dr Bielin Shi, (MAusIMM) of CSA Global Pty. Ltd. who is a Competent Person as defined by the Australasian Code for the reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) 2004 Edition and who consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.*

*The information in this Report which relates to the **Shearers Mineral Resource estimate** accurately reflects information prepared by competent persons (as defined by the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves). The Shearers deposit Mineral Resource estimate has been compiled and prepared by Mr. David Williams (MAusIMM, MAIG) of CSA Global Pty. Ltd. who is a Competent Person as defined by the Australasian Code for the reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) 2004 Edition and who consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.*

*The information in this Report which relates to the **Otways Mineral Resource estimate** accurately reflects information prepared by competent persons (as defined by the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves). The Otways deposit Mineral Resource estimate has been compiled and prepared by Mr. Shane Fieldgate (MAusIMM, MAIG) of CSA Global Pty. Ltd. who is a Competent Person as defined by the Australasian Code for the reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) 2004 Edition and who consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.*

*The information in this Report which relates to the **Little Wonder and Golden Gate Satellite Mineral Resource estimates** accurately reflects information prepared by competent persons (as defined by the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves). The Little Wonder and Golden Gate satellite deposits Mineral Resource estimate has been compiled and prepared by Steven Hodgson, (MAIG) of CSA Global Pty. Ltd. who is a*

Competent Person as defined by the Australasian Code for the reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code) 2004 Edition and who consents to the inclusion in this report of the matters based on the information in the form and context in which it appears. The information in this Report which relates to the **Bartons, All Nations and Golden Gate ABCD reef Mineral Resource estimates** accurately reflects information prepared by competent persons (as defined by the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves). The reported Mineral Resource as it relates to Bartons, All Nations, and Golden Gate ABCD reef has been compiled by Mr Nic Johnson. Mr Johnson is a Member of the Australian Institute of Geoscientists and an employee of Hellman & Schofield Pty Ltd. He has sufficient experience, relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking, to qualify as a Competent Person as defined in the 'Australasian Code for Reporting of Mineral Resources and Ore Reserves' of December 2004 ("JORC Code") as prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, the Australian Institute of Geoscientists and the Minerals Council of Australia. The Competent Persons listed consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.

#### **Competent Persons Statements – Ore Reserves**

The information in this Report, which relates to the Ore Reserve estimates accurately reflect information prepared by competent persons (as defined by the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves). The information in this public statement that relates to the Ore Reserves at the Millennium Minerals Nullagine Project is based on information compiled by Mr Steve Lampron and Mr. Daniel Tuffin. Mr. Daniel Tuffin of Auralia Mining Consulting completed the Ore Reserve estimate. Mr Daniel Tuffin is a Member of the Australasian Institute of Mining and Metallurgy (#228649) and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that they are undertaking to qualify him as a Competent Person as defined in accordance with the Australasian Joint Ore Reserves Committee (JORC).

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