



MILLENNIUM

MINERALS LIMITED

ABN 85 003 257 556

14 November 2012

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

Dear Sir/Madam

\$8.1 MILLION CAPITAL RAISING TO ESTABLISH WORKING CAPITAL RESERVE and DRIVE GROWTH INITIATIVES;

- **\$8.1 million Placement to institutions and high net worth individuals (“Placement”)**
- **Establishes a working capital provision more suited to the rapid ramp up to full production**
- **Facilitates accelerated exploration program**

Introduction

Millennium Minerals Limited (“Millennium” or “the Company”) has received firm commitments for the issue of 300 million shares at 2.7 cents per share to raise \$8.1 million (before expenses) mainly from existing investors. The issue price, representing a 10% discount to the 30 day VWAP, is being undertaken within the Company’s capacity to issue stock under the 15% rule. Patersons Securities acted as Lead Manager to the Placement.

Purpose of the raising

The purpose of the raising, in part (approximately \$6 million), is to provide a working capital buffer better aligned with the rapid lift to full production announced to the ASX on 6th November 2012. Reducing the ramp up period to six weeks from the budgeted twelve to fourteen weeks requires a more rapid build-up in pit material movement, reagent stocks, fuel stocks, maintenance spares and consumables under a more extended ramp up phase. The short term increase in working capital requirement will ultimately be off-set by the higher revenue generated by achieving full production earlier and establishes a sound basis for the 2013 financial year.

The remainder of the proceeds of the raising will be allocated to the exploration and development group to mobilise equipment and personnel to make an early start on the \$10 million drilling and exploration program mapped out for 2013.

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Background

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 should produce 73,000 ounces gold annually. The operation is operating in full production mode.

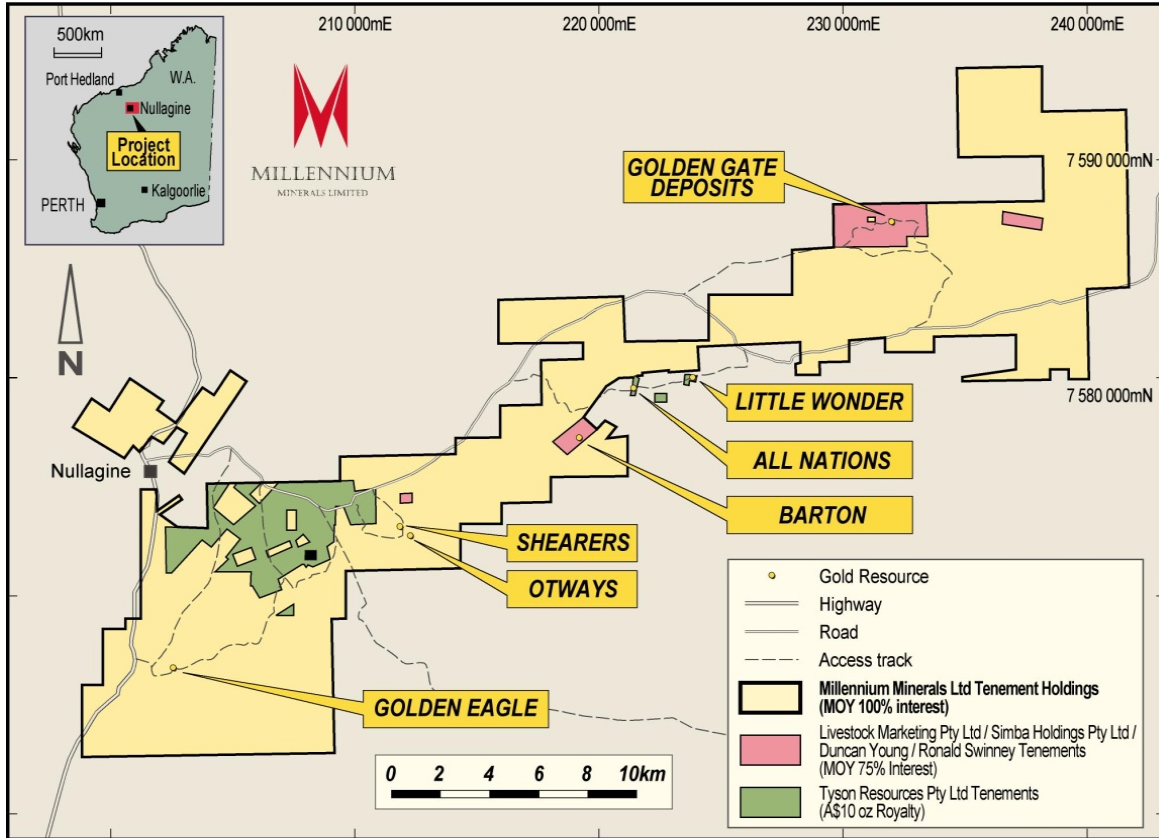


Figure 1: Nullagine Deposit Location Plan

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

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.

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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 ²			72,000	3.1	72,000	3.1	7,300
Crow ²			19,000	4.1	19,000	4.1	2,500
Falcon ²			76,000	3.9	76,000	3.9	9,500
Harrier ²			38,000	2.0	38,000	2.0	2,400
G reef ²			11,000	2.0	11,000	2.0	700
Total	13,041,000	1.3	3,340,000	1.5	16,381,000	1.4	740,800

Notes:

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

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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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