



EXCALIBUR MINING (ASX: EXM)

www.excaliburmining.com.au

ASX ANNOUNCEMENT - 18 February 2010

Drilling Update

More High Grade Intersections Extends Juno Mineralisation

- [Drilling outside the resource confirms Juno remains open at depth](#)
- [Additional High Grade Up-Dip Juno Intersections](#)

Excalibur Mining Corporation Limited (ASX:EXM) is pleased to advise a recent drill hole completed as part of Excalibur's Juno Extension program, intersected 4m at 31.39g/t Au including 1m at 122g/t at the base of Juno.

This intersection is significant because of its location in an area previously assumed to be barren in Excalibur's resource model. The area had been untested previously but was between two blocks currently categorised as indicated.

The intersection demonstrates that mineralisation extends beyond the existing drilling and that Juno remains open down dip.

Excalibur Managing Director, Mr Tim Lagdon said that the intersection was also notable because visible gold was observed within the core. "At Juno, the occurrence of visible gold is quite rare despite the spectacular grade".

Additional, high grade intersections at Up-Dip Juno have been received and more results are pending.

Background

Excalibur's current drilling program at Juno is focused on three areas:

- **Up-Dip Juno** – 16 reverse circulation holes totaling 2,964m and 10 diamond drill holes totaling 2,683m have been completed on a 40m x 40m pattern in the area around the spectacular intersections announced late last year, being EDJ004 and EDJ007.
- **Juno Extensions** – Testing of the open regions along strike and below the Juno Resource, in particular targeting the previously defined inferred areas at the base of Juno. Eight holes have been drilled in the inferred areas and results for the majority are pending.
- **Juno Stope Verification** – As part of the Cube Resource review, we are confirming the stope boundaries to verify the depletion from previous mining.

Excalibur Mining Corporation Limited – ASX: EXM

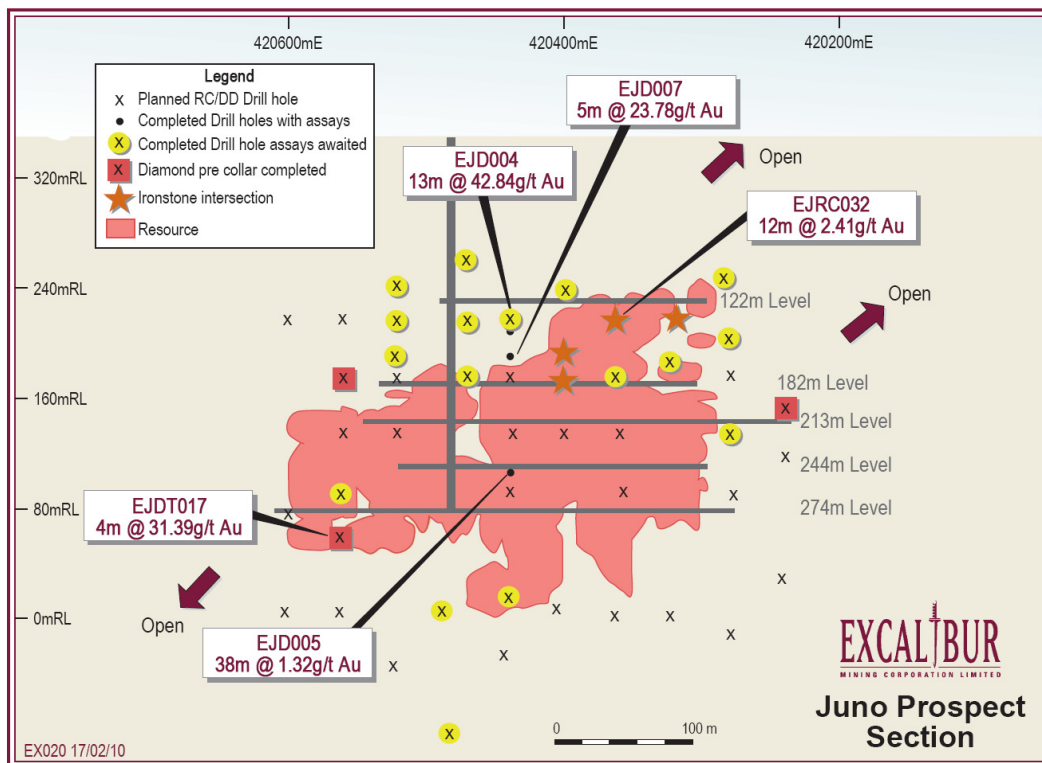
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Around 10,000m of RC and diamond drilling were completed in the past two months with 3 rigs currently on site. Sample preparation and assay for the Up-Dip Juno program and Juno Extensions are currently underway. Juno Stope Verification has only recently commenced but is a core focus for the next month, after which the drilling will return to the Up-Dip and Juno extension drilling.



Up Dip Juno Results

Results for the holes have been received (including the previously announced EJD004 and EJD007) and are shown below (and fully detailed in the attachment).

EJRC032	12m @ 2.41g/t Au from 181m
EJD004	4m @ 40.43g/t Au from 152m including 2m @ 78.20 g/t Au from 153m and 13m @ 42.84g/t Au from 160m including 5m @ 102.38g/t Au from 164m
EJD007	5m @ 23.78g/t Au from 191m, including 1m @ 105.00g/t Au from 192m

The initial result in EJD004 of 13m at 42.84g/t Au has been further enhanced by additional assays of 4m at 40.43g/t above the original intersection.

EJRC032 is an intersection 80m to the west of EJD004 and lies within one of the inferred blocks from the original resource estimate. This intersection reinforces the continuity of mineralisation between the Juno main orebody and the newly discovered Up-Dip area. This area remains open as there are no drill holes in the top 150m. Holes drilled in the up dip area immediately east of the main shaft have returned values of less than 1g/t Au suggesting that this area is now closed off. A large number of assays are still awaited and these are expected over the next three to four weeks.

The current program of 40m x 40m drilling is focused on defining the limits to the mineralisation. This will be followed up by infill drilling to 20m x 20m prior to these newly discovered extensions being added to the current resource. The drilling in the Up-dip portion of Juno will continue once Excalibur has finished the Juno Verification drilling.

“We are delighted to have positive results from the Up-Dip drilling program,” Mr Lagdon said.

"We want to make sure we are hitting our milestones on de-risking the Juno main project and being in a position to proceed with development by the end of the year.

“Up-Dip Juno will be a fantastic enhancement to Excalibur. While the additional costs of drilling out this area were not in the original plan, it is compelling for Excalibur to actively pursue this program given the strong positive impact it has on the economics of Juno.”

Mr Lagdon said the Up-Dip Juno was wholly in the shell of the proposed open pit for Juno so would need to be mined in any event: “Anything that is defined here will further improve the Juno project by reducing the capital required, accelerating the timing of cash flow as well as adding additional low cost ounces to the deposit.”

Juno Extensions Results

EJDT017 4m @ 31.39g/t Au, 3.00g/t Ag, 0.04% BI, <0.1% Cu down dip of Juno.

This intersection was at the eastern end of Juno, lying in a zone previously assumed to be barren between two indicated blocks, some 10 meters below the lowest level of the historic mine workings. Excalibur’s resource has the potential to extend in this area and EJDT017 clearly indicates that Juno remains open down plunge to the east. There is very little drilling in this area and more follow up is required.

Juno Verification

The Juno Verification drilling is the critical component in the Cube Resource review, which will provide a new estimate of the Juno resource. This will feed directly into the detailed scoping study, which Excalibur is on schedule to commence in early March.

A total of 21 holes are planned to intersect the existing stopes to verify their location. Excalibur’s current resource is based on the stopes as defined by the surveyed plans of the Juno Mine. To gain the utmost level of confidence as to the depletion from the previous mining, which is necessary to confirm the resource to a higher level of confidence, Excalibur needs evidence of the current stope location. To do this Excalibur will be drilling a series of holes, based on Cube's specifications, to break through into the old stopes. This will both confirm their location and dimensions as well as the existence of the higher grade ore immediately adjacent to the historical stopes.

Corporate Update

The Cube Resource Review and the detailed Scoping Study to follow are critical components, not only for advancing the project but also a key milestone in attracting sophisticated global investors to the Excalibur register.

“We have already started down this track and it is pleasing to note the increased concentration in our share register over the last 6 months which has seen the top twenty shareholders progressively increase their share from 20% to more than 30%,” Mr Lagdon said.

“Our aim is to see this increase to more than 50% and we have commenced the process to attract and select appropriate cornerstone partners for the next stage of Excalibur's development of its icon assets at Tennant Creek. We are seeing active interest in Excalibur's projects and a number of visits to site for interested parties have occurred and are programmed”.

As part of this strategy and to improve our exposure, Excalibur is presenting at the ASX Spotlight: Mining Conference in Sydney next week, and will also be presenting at a major mining investment forum, Mines and Money Hong Kong. Here Excalibur will be hosting a booth to showcase the Tennant Creek project and continue investigations into prospective cornerstone partners.

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Information in this report pertaining to mineral resources and exploration results was compiled by Mr MP Sullivan who is a member of Aus.I.M.M. Mr. Sullivan has sufficient experience which is relevant to the style of mineralisation and the type of deposit that is under consideration and to the activity that 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. Sullivan consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

About Excalibur Mining

Excalibur Mining Limited (ASX: EXM) is an Australian resources company focusing on gold exploration and mining. Its major assets are in the Northern Territory of Australia, with its flagship project at Tennant Creek. Key assets here include Juno (one of the highest grade gold mines ever operated in Australia having previously produced 815,000 ounces of gold between 1966 and 1977 from 452,000 tonnes with an average recovered grade of 56.1g/t Au) and Nobles Nob (having produced 1,110,000 ounces of gold from 1,996,000t at an average recovered grade of 17.3g/t Au). Excalibur has completed extensive exploration drilling on many of these areas since 2007, resulting in a resource upgrade from 532,244oz to 1,177,637oz. Many targets remain lightly tested by drilling, and practically all resources defined to date remain open in at least one direction.

Hole	N	E	From	To	M	g/t Au	g/t Ag	% Bi	% Cu
EJRC032	7821298	420356	181	193	12	2.41	4.58	0.19	0.27
		Including	181	182	1	7.65	6.00	0.35	0.20
		and	186	188	2	6.64	9.00	0.17	0.10
EJDT017	7821468	420563	348	352	4	31.39	3.00	0.04	<0.01
		including	348	348	1	122.00	11.00	0.15	<0.01
EJD004	7821130	420440	152	156	4	40.43	36.00	0.13	0.06
		including	153	155	2	78.20	60.50	0.17	0.08
		and	160	173	13	42.84	<1	0.66	0.89
		including	164	169	5	102.38	<1	1.24	1.40
		and	181	187	6	0.83	<1	0.01	1.17
		and	188	192	4	1.12	<1	0.01	0.47
		and	201	202	1	2.11	<1	0.19	0.20
		and	215	217	2	1.13	<1	0.01	0.11
		and	236	250	14	0.51	<1	0.01	1.24
		and	252	253.34	1.34	3.89	<1	0.51	0.24
		and	253.34	255.34	2	Stope			
EJD007	7821335	420440	191	195	5	23.78	<1	0.5	0.09
		including	192	193	1	105.00	<1	1.77	0.06
		and	199	200	1	0.57	<1	0.02	1.21