

COMPANY UPDATE

Eastern Goldfields Limited (ASX:EGS) (**Eastern Goldfields** or **the Company**) is pleased to provide the following update of its current activities including lodgement of its 2016 Financial Statements.

2016 Financial Statements

The audit and lodgement of the Company's 2016 Financial Statements has been completed today. The delay in finalising the audit and lodgement of the statements has largely been due to complexity related to the significant number of transactions completed in the last six months leading to the re-quotation of the Company's shares on the ASX. These included the discounted buyback of debt and EGS shares from Stirling Resources plus the conversion of debt to equity relating to the secured and unsecured debt held by Investmet Limited and the debt syndicate participants.

Resource Definition Drilling

This program has continued with three diamond drill rigs and two RC drill rigs currently active at Davyhurst focussed on the Siberia (Sand King and Missouri), Lights of Israel and Callion gold deposits. Currently there are approximately 4000 samples lodged for assay and the Company expects there to be further updates this week as final results begin to flow through. It is expected that as this back log flows through, there will be a drilling update weekly for at least the next four to six weeks.

Davyhurst Mill Refurbishment

Site based refurbishment activities have increased substantially over the last few weeks as both GR Engineering and Duratech have mobilised personnel to site. There is currently in excess of 50 personnel on site focussed on the plant refurbishment program. A more detailed update on the progress at Davyhurst will be released during the next week.

Investor and media enquiries

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BOARD OF DIRECTORS

Mr Michael Fotios
Executive Chairman

Mr Craig Readhead
Non-Executive Director

Mr Alan Still
Non-Executive Director

Ms Shannon Coates
Company Secretary

ISSUED CAPITAL

Shares: 489m

Options: 50m

Current Share Price: \$0.37

Market Capitalisation:

\$180.9m

Cash as at 30/6/2016:

\$15.5m

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