

GYMPIE GOLD LIMITED

ABN 88 000 759 535

ASX Announcement & Media Release

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Coal Production and Gold Exploration Update

At Gympie Gold's Annual General Meeting today, Chairman Mr Michael Darling reiterated that the Company's two major objectives are:

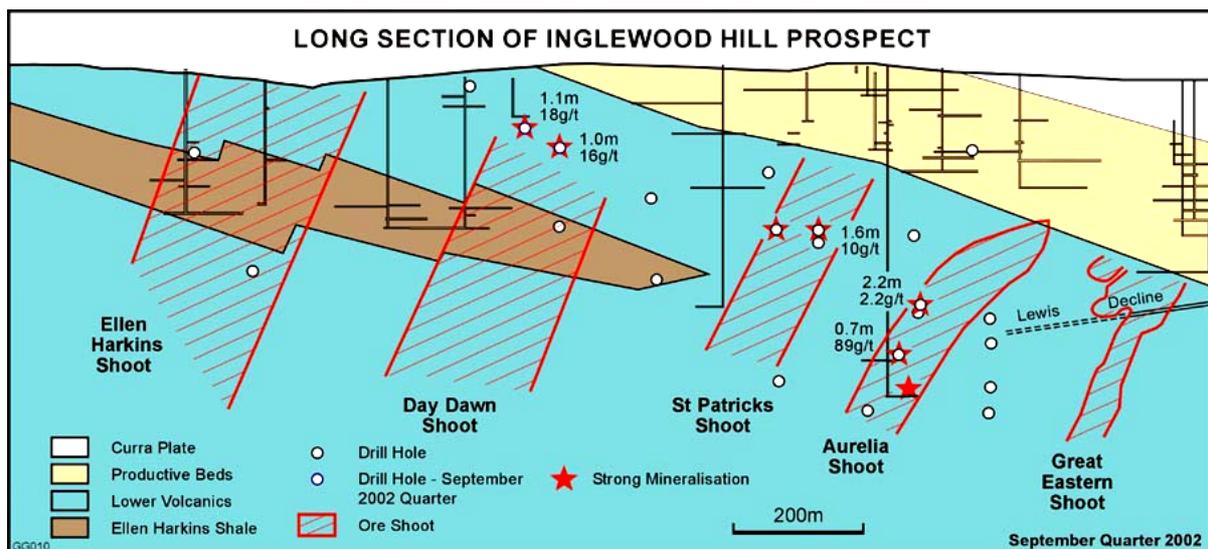
1. to establish the Gympie Goldfield as a long-term major gold producer; and
2. to build up Southland Coal into producing at least 1.5 million tonnes per annum.

Mr Darling said "Our growing gold operations are being developed to provide cash flow and, importantly a knowledge base for our major goldfield exploration program.

"At Southland, despite difficult ground conditions during the September quarter, coking coal production should increase to between 1.3 and 1.5 million tonnes for 2002-03, with profitability and two-thirds of the output being generated in the second half."

Managing Director, Mr Harry Adams, added that "Difficult ground conditions continue but it is encouraging that Southland's run-of-mine coking coal production for October is above-budget at over 100,000 tonnes. Our operational responses have been effective with the operation being converted from 5 to 7-day production and mining procedures being adjusted to better accommodate the physical conditions.

"At Gympie Eldorado, our expanded exploration of the goldfield warrants watching closely this year. Current encouragement comes from first-pass drilling of the Inglewood Lode 700 metres north of delineated resources and mining zones. Notably two drill intercepts returned good results of 1.0 metre at 16.1g/t gold and 1.1 metres at 18.1g/t gold (see figure below). This work indicates that the extended Inglewood Structure represents a major exploration target within easy reach of the Lewis Decline."



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