

Gympie Gold Limited (Receivers and Managers Appointed)
ACN : 000 759 535

ASX AND AIM ANNOUNCEMENT

CONSORTIUM ACQUIRES GYMPIE GOLD

Australian exploration, mining and marketing company Gympie Gold Limited ("Gympie Gold") today announced the execution of contracts for the sale of the mining and exploration leases and assets comprising the Gympie Eldorado operations, 170 kilometres north of Brisbane, following a world wide sale campaign undertaken by the company's Receivers.

The purchaser is Gympie Eldorado Mining Pty Ltd ("GEM"), a company owned by Mizuho International PLC ("Mizuho") 74%, Investec Bank Australia ("Investec") 13% and a syndicate combining certain directors and shareholders of Buka Minerals Limited ("Buka") 13%, whose interests are proposed to be transferred to Buka, subject to Buka shareholder approval.

The Mizuho/Investec/Buka consortium came together in March 2004 to replace HSBC Precious Metals Australia and Fortis Bank as Gympie Gold's principal bankers, and as the new owners bring significant financial and technical resources. Mizuho is the world's second largest financial institution by assets.

GEM, in seeking to maximise the long term potential/value in the Gympie gold field, intends recommencing surface exploration to test the South Inglewood extension of the gold field, while maintaining current underground mining operations. GEM considers the Gympie gold field to be highly prospective and under-explored, as highlighted by successful exploration in 2003, prior to Gympie Gold entering receivership. GEM anticipates that the Gympie operations will return to ASX-listed environment in 2005.

The sale is expected to take 6 to 8 weeks to complete pending the transfer of mining and exploration tenements and environmental authorities by government agencies.

Gympie's strategic shareholding in D'Aguilar Gold Limited is also to be sold to the consortium members, subject to ASX granting a one-time waiver of escrow conditions.

For further information:

Peter Geroff, Receiver and Manager

Gympie Eldorado Gold Mines Pty Ltd (Receivers and Managers Appointed)

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