



ELDORE MINING CORPORATION LIMITED

ABN 82 110 884 262

25TH May 2011

Companies Announcements Office
ASX Limited
20 Bridge Street
Sydney NSW 2000

ELDORE SECURES FUNDING FOR BAITA COPPER MINE ACQUISITION

The Board of Eldore Mining Corporation Limited (ASX: EDM, “the Company”) is pleased to advise that it has secured funding enabling it to proceed with the acquisition of the Baita Copper-Gold mine in Romania.

The Company has secured a funding facility of up to **A\$25,000,000** through JC Long Term Value Fund Ltd (“JCLTF”). The 36 month facility will provide part of the funding requirements for the Baita Copper-Gold (“Baita”) mine acquisition in Romania as well as working capital for ongoing exploration at the Mt Hagen JV in Papua New Guinea. The JCLTF funding includes 5% fee, plus legal costs up to \$20,000 and can be satisfied by the issue of shares.

Further, the Company also advises that it has agreed a EUR 7.5 million debt facility with a European based financial institution, for the debt segment of the funding and working capital for Baita and its exploration activities. The debt is unsecured, is repayable over 24 months and has an interest rate of 10%. This Debt facility is subject to the completion of formal documentation and agreed conditions precedent before draw-down.

Baita Copper-Gold Mine

The Baita Copper-Gold mine is an integrated underground and copper concentrator plant located in Transylvania, West Romania.

The majority of funds will be applied to enable Eldore to complete the purchase of and re-start operations at the Baita Copper mine in Romania. The mine ceased operations in February 2010 due to financial and other issues related to the previous owner. At that time mine production was focussed at the 18-Level (depth of 360 metres) and since the closure the mine has been on care and maintenance with most key staff still available.

The Company intends to re-start where mining left off at this level where strong mineralisation exists and the ore body remains open in most directions. Two diamond holes drilled approximately 90m below this level show strong mineralisation typical of what has been mined to date.

Samples collected from broken ore stocks both underground and remaining on surface on 28th September 2009 returned an average grade of **2.67% copper** and 2.06 g/t gold.

The Company believes it can re-start operations within 90 days of settlement and quickly rebuild to an annualised rate of 200,000 ore tonnes per annum. A gold rich copper concentrate will be produced and on-sold to third party smelters in India, China or Europe.

Mt Hagen JV - Papua New Guinea

In Papua New Guinea, drilling has commenced at the Company's Mt Hagen JV where Eldore is earning a 60% interest by spending \$2 million on exploration.

Field mapping at Kotna Prospect has discovered extensive hydrothermal alteration and copper-gold-molybdenum anomalism considered to be related to a porphyry copper mineralisation style. The Company has established a field camp and a helicopter supported LF70 diamond drill rig has commenced coring of this exciting target.

Results will be released as they come to hand from this current drilling program.

Burkina Faso

In Burkina Faso, the Company's wholly owned subsidiary Knights Landing Pty Ltd owns the Bonsiega Project where Predictive Discovery Limited (ASX:PDI) is earning a 60% interest by expending \$2 million on exploration.

PDI has advised that it has outlined a 1.7km NE-trending zone of gold mineralisation at the Fouli Prospect which it continues to explore. PDI advises that mineralisation is open in both an easterly and westerly direction.

At the Laterite Hill Prospect magnetics have interpreted a 15km strike of buried shear structures which is subject to various degrees of artisanal miner activity. A 400m x 50m power auger geochem program has been completed with known anomalous areas infilled to 200m x 25m. Two significant anomalies above 50ppb have been determined. The Laterite Hill anomaly is 3km long and the Dave Prospect anomaly is 1.4km long. A peak sample result of 4000ppm Gold (4 g/t Gold) was received.

Eldore is confident that a significant discovery is beckoning within its Burkina Faso Joint Venture properties.

The finance and Debt facilities will provide Eldore with certainty and financial stability to enable it to transition to a Copper-Gold producer with the completion of the Baita Copper-Gold mine acquisition in Romania. Further, all future funding requirements are solely at the election of the Company. The Company will now focus on both re-start of mining and processing operations at the Baita Copper-Gold Mine in Romania and continuing further exploration on the Company's advanced exploration projects in Papua New Guinea and Burkina Faso.

Yours faithfully



A R HAMILTON
Chairman