

FAST FACTS

Capital Structure (Pre Placement)
Shares on issue 300 million
Market Cap A\$480 million
Cash in bank A\$41 million
(September 11 quarterly)

CORPORATE DIRECTORY

Mel Ashton
Non-Executive Chairman
Stephen Parsons
Managing Director
Didier Murcia
Non-Executive Director
Steven Zaninovich
Non-Executive Director
David Netherway
Non-Executive Director

Matthew Bowles
Chief Development Officer
Tim Holt
Chief Financial Officer/Co Secretary
Brett Dunnachie
Company Secretary
Michael Fox
Exploration Manager | Burkina Faso

COMPANY HIGHLIGHTS

- New +Million oz gold discovery
- Emerging new gold district
- Aggressive exploration
- Big hitting shareholders
- Proven Management team

Banfora Gold Project, West Africa

- 29Mt @ 2.1g/t for 2,000,000oz gold
- Less than 100m depth & open
- Over 120km of highly prospective regional shear zones,
- 20 high priority targets for testing

Mauritanian Projects West Africa

Tijirit Gold Projects (1,400km²)
Adjacent to Kinross' Tasiast gold mine

Strategic Holdings

Renaissance Minerals (ASX: RNS)
(16%) Australian gold explorer

Tawana Resources NL (ASX: TAW)
(12%) African focused explorer

CONTACT DETAILS

Principal & Registered Office
Freemasons Hall
181 Roberts Road
SUBIACO WA 6008

Website
www.gryphonminerals.com.au
Email
admin@gryphonminerals.com.au
Phone
+61 8 9287 4333
Facsimile
+61 8 9287 4334
ASX CODE: GRY



ASX Announcement and Media Release
Wednesday, 23 November 2011



Gryphon Minerals completes A\$58.5 million share placement with funds to be used to advance the Banfora Gold Project and West African Exploration

Highlights

- Share placement strengthens Gryphon Minerals cash position
- Ensures ongoing aggressive exploration and advancement of the Definitive Feasibility Study at the company's flagship Banfora Gold Project in Burkina Faso as well as its Mauritanian exploration programmes

Primary use of funds to be used for:

Banfora Gold Project, Burkina Faso

- Resource & reserve definition
- Step out & deeper drilling
- Aggressive regional exploration
- Definitive Feasibility Studies

Mauritania Projects

- Drill testing at the Tijirit Gold Project
- Drill testing at Akjoujt copper/gold Project

- A separate share purchase plan to be offered to all eligible shareholders

Gryphon Minerals Limited (**ASX:GRY**) is pleased to announce that it has raised A\$58.5 million via an on market share placement, allowing the Company to continue on the path towards development of its flagship Banfora Gold Project and regional West African exploration. The placement is part of an overall funding package of up to A\$68.5 million which includes an anticipated A\$10.0 million from a share purchase plan offered to eligible shareholders.

Gryphon will issue 45.0 million fully paid ordinary shares to existing and new Australian, European and North American institutional investors at an issue price of A\$1.30 per share. The placement to institutional and sophisticated investors will be made within the Company's available 15% capacity as defined under ASX listing rule 7.1.

In addition, Gryphon will initiate a share purchase plan, open to all eligible shareholders, to raise up to A\$10.0 million at A\$1.30 a share. The record date to be eligible to participate in the share purchase plan is 22 November 2011. Documents relating to the share purchase plan will be distributed in due course.



The proceeds of the capital raising will be used for resource and reserve definition drilling, regional exploration, definitive feasibility studies, procuring long lead items and preliminary site works at Gryphon's flagship Banfora Gold Project. The Company earlier this year announced an increase in the JORC inferred resource estimate to 29Mt @ 2.1 g/t for 2.0 Million ounces of gold (ASX announcement 31 March 2011).

The funds will also be used to continue exploration work at the company's Gold Projects in Mauritania as well as to meet working capital requirements and potential acquisitions.

Gryphon Managing Director, Steve Parsons, said: "Despite the challenging short-term market environment, the strong backing we received from our current institutional shareholder base demonstrates the support for the Company's strategy to become a significant near - term West African gold company.

"These funds will allow us to continue on the path to development at our flagship Banfora Gold Project. They will also allow Gryphon to maintain an aggressive exploration programme in highly prospective and under-explored regions of West Africa. Gryphon now holds a dominant and strategic land position of more than 3,600 km² in Burkina Faso and Mauritania".

Euroz Securities Limited and Paradigm Capital Inc. acted as Joint Lead Managers to the Placement with RBC Capital Markets, Canaccord BGF Limited and Global Hunter Securities LLC acting as co-managers to the placement. Max Capital Pty Ltd acted as Corporate Advisor to the Placement.

Please see attached Appendix 3B in relation to the capital raising.

Notice under Section 708A

The Company is intending to issue up to 7,692,308 shares under a share purchase plan without disclosure to investors under Part 6D.2 of the Corporations Act. The securities are part of a class of securities quoted on the Australian Securities Exchange.

The Company gives this notice pursuant to ASIC Class Order 09/425.

The Company, as at the date of this notice, has complied with:

- a) The provisions of Chapter 2M of the Corporations Act as they apply to the Company; and
- b) Section 674 of the Corporations Act.

As at the date of this notice there is no information:

- a) that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules; and
- b) that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
 - ii) the rights and liabilities attaching to the Shares offered under the Share Purchase Plan.

There is no excluded information as at the date of this notice, for the purposes of Sections 708A(7) and (8) of the Corporations Act.

This announcement effectively lifts the trading halt that the Company requested on Monday 21 November 2011. The Company is not aware of any reason why the ASX would not allow trading to recommence immediately.



For detailed information on Gryphon Minerals projects please visit our website www.gryphonminerals.com.au.

Yours faithfully

Steve Parsons
Managing Director

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Stephen Parsons, who is a Member of The Australasian Institute of Mining and Metallurgy. Mr Stephen Parsons is a full-time employee of the company. Mr Stephen Parsons has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which 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 Stephen Parsons consents to their inclusion in the report of the matters based on his information in the form and context in which it appears.

Information in this report from data collection to wireframe interpretation, at Nogbele, Fourkoura and Samavogo Prospects and geostatistical modelling calculations is based on work by Mr Sam Brooks which was reviewed by Mr Michael Fox. Mr Brooks is a full time employee of Gryphon Minerals, and a member of the AIG. Mr Fox is a full time employee of Gryphon Minerals and a member of the AIG with sufficient experience relevant to the style of mineralisation and type of deposit to qualify as competent person defined by the 2004 Edition of the "Australian Code for Reporting of Mineral Resources and Ore Reserves". Mr Fox consents to the inclusion in this report of the matters based on information in the form and context in which it appears.

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

Gryphon Minerals Limited

ABN

31 107 690 657

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|---|
| 1 | +Class of +securities issued or to be issued | Ordinary Fully Paid Shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | (a) 45,000,000 Fully Paid Ordinary Shares (Placement)
(b) 7,692,308 Fully Paid Ordinary Shares (Share Purchase Plan) |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Fully paid ordinary shares |

4	Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	Fully Paid Ordinary Shares – Yes.	
5	Issue price or consideration	\$1.30	
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Proceeds of the placement will be used to fund: • Definitive Feasibility Studies at Banfora; • Resource and reserve drilling; • Procuring long lead items; • Mauritanian projects exploration; and • Potential acquisitions and ongoing working capital requirements.	
7	Dates of entering ⁺ securities into uncertificated holdings or despatch of certificates	(a) On or around 30 November 2011 (b) On or around 16 December 2011	
8	Number and ⁺ class of all ⁺ securities quoted on ASX (<i>including</i> the securities in clause 2 if applicable)	Number	⁺ Class
		352,814,366	Fully Paid Ordinary Shares

⁺ See chapter 19 for defined terms.

		Number	+Class
9	Number and +class of all +securities not quoted on ASX (<i>including</i> the securities in clause 2 if applicable)	100,000 5,800,000 8,500,000 400,000 500,000 150,000	Options \$0.69, 01/04/12 Options \$1.80, 10/10/13 Options \$1.80, 24/11/13 Options \$2.20, 18/01/14 Options \$1.90, 23/05/14 Options \$1.96, 03/08/14
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A	

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	
12	Is the issue renounceable or non-renounceable?	
13	Ratio in which the +securities will be offered	
14	+Class of +securities to which the offer relates	
15	+Record date to determine entitlements	
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17	Policy for deciding entitlements in relation to fractions	
18	Names of countries in which the entity has +security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	
19	Closing date for receipt of acceptances or renunciations	
20	Names of any underwriters	

21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of ⁺ security holders	
25	If the issue is contingent on ⁺ security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do ⁺ security holders sell their entitlements <i>in full</i> through a broker?	
31	How do ⁺ security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	
32	How do ⁺ security holders dispose of their entitlements (except by sale through a broker)?	
33	⁺ Despatch date	

⁺ See chapter 19 for defined terms.

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) ☒ Securities described in Part 1

(b) ☐ All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 ☐ A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of securities for which
+quotation is sought

39 Class of +securities for which
quotation is sought

40 Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

42 Number and ⁺class of all ⁺securities quoted on ASX (*including* the securities in clause 38)

Number	⁺ Class

⁺ See chapter 19 for defined terms.

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:

.....

Date: ... 23 November 2011...

Print name:

Brett Dunnachie.....

== == == == ==

+ See chapter 19 for defined terms.