



GRYPHON
MINERALS LIMITED

Corporate Directory

Non-Executive Chairman
Mel Ashton

Managing Director
Stephen Parsons

Non-Executive Director
Didier Murcia

Company Secretaries
Carl Travaglini & Candice Donnelly

**Advancing the
3.6Moz Banfora Gold Project,
Burkina Faso¹**

- low capital costs
- low operating costs
- high grade Heap Leach
- high margins

Funding³:

- US\$40 million cash

On-track in CYQ2/2014:

- Mine permitting ✓
- Debt funding mandate
- Feasibility study
- Early site works
- Exploration results

Contact Details

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GRY

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Gryphon awarded Mining Permit for Banfora Gold Project

Highlights

- **Gryphon Minerals has been granted an Exploitation (Mining) Permit for the development and operation of the Banfora Gold Project**
- **Gryphon is now permitted to proceed with the proposed 2Mtpa mining operation utilizing a Heap Leach process plant¹**

Gryphon Minerals Limited (ASX: GRY) is pleased to announce that it has been granted a Mining Licence (Exploitation Permit) for its Banfora Gold Project in Burkina Faso.

Gryphon's Managing Director Stephen Parsons commented:

"Being permitted to develop and operate the Banfora Gold Project is a significant achievement and milestone for Gryphon. It confirms the Burkina Faso Government is committed and supportive of the development of a 2Mtpa Heap Leach plant at Banfora. I look forward to providing further updates at this exciting time for Gryphon, as we transition from gold explorer to producer".

Mr. Lamoussa Salif Kabore, the Minister of Mines and Energy, Burkina Faso commented:

"The Ministry is very pleased to have awarded Gryphon Minerals with a mining exploitation permit to extract gold from its 'Banfora Gold Project' in the Leraba Province of Burkina Faso. Gryphon was the first Australian company in recent times to undertake exploration in our country and now the first to be granted a mining permit. The Ministry of Mines and Energy of Burkina Faso looks forward to the commencement of development and successful commissioning of the mine and maintains its strong and ongoing support for Gryphon."

Key aspects of the permit granted by the Burkina Faso Government include:

- encompasses all four main deposits making up the Banfora Gold Project – Nogbele, Fourkoura, Samavogo and Stinger;
- valid for Heap Leach processing approach to gold extraction; and
- valid for an initial 20 year period, which can be extended under the Mining Code for successive terms of 5 years each until complete exhaustion of all deposits.

The Mining Licence was issued following a comprehensive review of Gryphon's application by the Ministry of Mines and Energy, Ministry of Environment and the National Commission of Mines. With the receipt of the licence, Gryphon now has achieved all regulatory approvals necessary to commence the development phase of the Banfora Gold Project.



Background | Banfora Gold Project - Burkina Faso, West Africa

The Banfora Gold Project at 3.6 million ounces² of gold (Resource estimate), is one of the largest undeveloped projects in West Africa.

The project is 100% Gryphon owned (90% on issue of a Mining License, 10% Burkina Faso Government) and located in South-West Burkina Faso, West Africa in a major gold producing district, host to such world class gold deposits as Tongon (4.2 Million oz Au), Syama (5 Million oz Au mined & 6.5 Million oz Au in resources) and Morila (6.5 Million oz Au).

The project contains contiguous exploration licenses covering approximately 1,100 square kilometres of a major gold district. The project is easily accessible by road and is in close proximity to the town of Banfora and the major city of Bobo-Dioulasso.

Detailed information on all aspects of Gryphon's projects can be found on the Company's website www.gryphonminerals.com.au.

Yours faithfully

Steve Parsons
Managing Director

1 For the proposed 2mtpa Heap Leach plant refer to ASX Announcement dated 4 February 2014. Optimisation studies demonstrating the case for a 2mtpa Heap Leach plant are at Scoping Study level, therefore based on low-level technical and economic assessments, are insufficient to support estimation of Ore Reserves or to provide assurance of an economic development case at this stage, or to provide certainty that the conclusions of the Scoping Study will be realised.

In discussing reasonable prospects for eventual economic extraction in Clause 20, the Code requires an assessment (albeit preliminary) in respect of all matters likely to influence the prospect of economic extraction including the approximate mining parameters by the Competent Person. While a Scoping Study may provide the basis for that assessment, the Code does not require a Scoping Study to have been completed to report a Mineral Resource.

Scoping Studies are commonly the first economic evaluation of a project undertaken and may be based on a combination of directly gathered project data together with assumptions borrowed from similar deposits or operations to the case envisaged. They are also commonly used internally by companies for comparative and planning purposes. Reporting the general results of a Scoping Study needs to be undertaken with care to ensure there is no implication that Ore Reserves have been established or that economic development is assured. In this regard it may be appropriate to indicate the Mineral Resource inputs to the Scoping Study and the processes applied, but it is not appropriate to report the diluted tonnes and grade as if they were Ore Reserves.

While initial mining and processing cases may have been developed during a Scoping Study, it must not be used to allow an Ore Reserve to be developed.

2 This Minerals Resource includes the following deposits: Nogbele, Fourkoura, Stinger and Samavogo. For the Minerals Resource estimate at the Nogbele and Fourkoura deposits, see ASX announcement dated 4 February 2014. The Mineral Resource estimate at the Stinger and Samavogo deposits (see also ASX announcement 31 January 2013) is based on information compiled by Mr Dmitry Pertel who is a member of the Australian Institute of Geoscientists. Mr Pertel has sufficient experience relevant to the styles of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person, as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Pertel is a full time employee of CSA Global Pty Ltd and has consented to the inclusion of the matters in this report based on his information in the form and context in which it appears. This information was prepared and first disclosed under JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported.

3 As disclosed in the March 2014 quarterly report and converted using an USD/AUD exchange rate of 0.94.