



ELDORE MINING CORPORATION LIMITED
ABN 82 1 10 884 262

31st March 2011

Company Announcements Office
ASX Limited
20 Bridge Street
Sydney NSW 2000

FUNDING UPDATE

The Board of Eldore Mining Corporation Limited (ASX:EDM, “the Company”) advises that, following the first site visit, both the due diligence review and funding discussions are now well advanced for the recently announced acquisition of the Baita Copper mine located in Stei, Transylvania, West Romania.

FUNDING

The Company confirms that it is currently in discussions with various refiners and financiers to undertake a combination of debt, equity and off-take financing to fund the proposed acquisition, subject to shareholder and regulatory approval. The various refiners on the project have made contact with the Company based on the previous history of production and the planned increase in the volume of metals concentrate. It is envisaged that the debt and off-take agreements will provide the larger proportion of capital required to finance the proposed transaction with equity being used for the expansion and working capital.

TRANSACTION

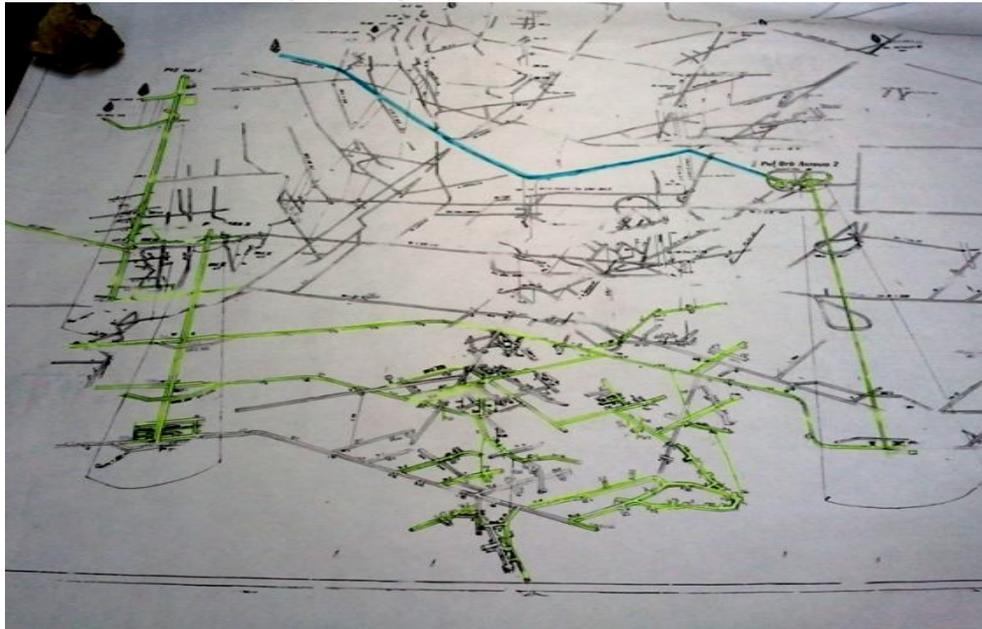
The Company will be acquiring 100% of the issued capital of Siberia Clearing (Geneva) Limited which will become a wholly owned subsidiary which in turn owns the mining licence, plant, equipment and rights to the 4.6 million tons of tailings. The mining and extraction licence expires in August 2018 and covers a surface area of 696.1 hectares/1720 acres.

MINING OPERATIONS

The plan is to re-establish mining operations, based on an agreed mine plan at level 18 within 90 days on an incremental basis up to the mines rated throughput capacity of 120,000 tonnes per annum. The mine plan allows for the refurbishment and replacement of certain elements of the plant to support the increase in recovered grade. Additionally, drilling of 5,000 metres will be targeting a JORC compliant resource to extend the mine life beyond 20 years. The Company will also seek to make improvements to mining operations to increase the optimum scale of operations to 200,000 tonnes per annum throughput.

The Company will also undertake new assays of the tailings dams to confirm and establish a plan for the tailings retreatment operations, in both scale and style of operations. The 36 assays undertaken by ALS Chemex from the tailings dams indicated the presence of 39 different metals with Copper, Gold and Silver all in recoverable quantities.

Mine Shaft and Working Drawings



Concentrate Recovery Plant



The Company will be convening a meeting of shareholders as soon as practical to approve the transaction and seek regulatory approval for the completion of the acquisition of the Baita Copper mine.

Yours faithfully

A R HAMILTON
Chairman