



ASX Announcement
Friday, 8 October 2010

Company Announcements Office
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

COMPULSORY ACQUISITION OF OUTSTANDING SHIELD SHARES AND SHIELD BID OPTIONS

Gryphon Minerals Limited (**Gryphon**) advises that it has completed the process for compulsorily acquiring the outstanding Shield Mining Limited (**Shield**) shares and bid options.

Attached are the following documents:

1. A copy of letters being dispatched to the former Shield shareholders and bid optionholders whose Shield shares and bid options were acquired by Gryphon.
2. Appendix 3B for the issue of 2,047,187 shares to Shield, to be held on trust for the former Shield shareholders and bid optionsholders compulsorily acquired.

Yours faithfully,

BRETT DUNNACHIE
Company Secretary
Gryphon Minerals Limited



8 October 2010

[Name]
[Address]
[Address]

Dear Sir/Madam

COMPULSORY ACQUISITION OF OUTSTANDING SHIELD MINING LIMITED SHARES

As you may be aware, as a result of the recent takeover by Gryphon Minerals Limited (**Gryphon**) for Shield Mining Limited (**Shield**), Gryphon acquired over 94% of Shield shares. Consequently, Gryphon became entitled to, and has proceeded to, compulsorily acquire the remaining Shield shares which it did not already own under the statutory regime contained in Part 6A.1 Division 1 of the Corporations Act.

Gryphon has now completed the compulsory acquisition.

According to our records, you were one of the Shield shareholders from whom Gryphon compulsorily acquired Shield shares. As a result of this acquisition, you are no longer a Shield shareholder.

Gryphon has provided the consideration due to you for your Shield shares to Shield. Accordingly, Shield gives notice that it is currently holding that consideration on trust for you pending your instructions. The consideration to which you are entitled is set out in the enclosed Claim Form.

We cannot transfer the consideration to you without your formal instructions. Accordingly, would you please complete the enclosed Claim Form and return it in accordance with the instructions shown in the form. This will let us know that you would like the consideration to be transferred to you at the address specified at the top of the Claim Form.

If you do not advise Gryphon as to how to deal with the consideration for your Shield shares, the shares will be transferred to the Australian Securities & Investments Commission in accordance with section 668B of the Corporations Act.

If you have any queries in relation to this process, please contact Security Transfer Registrars on 08 9315 2333 (callers within Australia) and +61 8 9315 2333 (callers outside Australia) or Gryphon's Company Secretary, Mr Brett Dunnachie on 08 9287 4333 (callers within Australia) or +61 8 9287 4333 (callers outside Australia).

Yours faithfully

A handwritten signature in blue ink, appearing to be "B. Dunnachie".

Brett Dunnachie
Company Secretary



8 October 2010

[Name]
[Address]
[Address]

Dear Sir/Madam

COMPULSORY ACQUISITION OF OUTSTANDING SHIELD MINING LIMITED BID OPTIONS

As you may be aware, as a result of the recent takeover by Gryphon Minerals Limited (**Gryphon**) for Shield Mining Limited (**Shield**), Gryphon acquired over 94% of Shield shares. Consequently, Gryphon became entitled to, and has proceeded to, compulsorily acquire the remaining Shield shares and options which it did not already own under the statutory regime contained in Part 6A.1 Division 1 of the Corporations Act.

Gryphon has now completed the compulsory acquisition.

According to our records, you were one of the Shield optionholders from whom Gryphon compulsorily acquired Shield options. As a result of this acquisition, you are no longer a Shield optionholder.

Gryphon has provided the consideration due to you for your Shield options to Shield. Accordingly, Shield gives notice that it is currently holding that consideration on trust for you pending your instructions. The consideration to which you are entitled is set out in the enclosed Claim Form.

We cannot transfer the consideration to you without your formal instructions. Accordingly, would you please complete the enclosed Claim Form and return it in accordance with the instructions shown in the form. This will let us know that you would like the consideration to be transferred to you at the address specified at the top of the Claim Form.

If you do not advise Gryphon as to how to deal with the consideration for your Shield options, the options will be transferred to the Australian Securities & Investments Commission in accordance with section 668B of the Corporations Act.

If you have any queries in relation to this process, please contact Security Transfer Registrars on 08 9315 2333 (callers within Australia) and +61 8 9315 2333 (callers outside Australia) or Gryphon's Company Secretary, Mr Brett Dunnachie on 08 9287 4333 (callers within Australia) or +61 8 9287 4333 (callers outside Australia).

Yours faithfully

A handwritten signature in blue ink, appearing to be "BD", written over a light blue circular stamp.

Brett Dunnachie
Company Secretary

Compulsory Acquisition Claim Form

**Use this form to claim your consideration for the compulsory acquisition of your
Shield Mining Ltd ("Shield") Shares by Gryphon Minerals Ltd ("Gryphon").**

1. Your details

«Name_Line_1» «Name_Line_2» «Name_Line_3» «Designation» «Address_Line_1» «Address_Line_2» «Address_Line_3» «Address_Line_4» «SuburbState»	Number of Shield Mining Ltd Shares held by you as at 7 October 2010	«SHX»	Number of Shield Mining Ltd Bid Options held by you as at 7 October 2010	«SHX2»
	Gryphon shares to be issued as consideration (on the basis of 1 Gryphon share for every 3 Shield Share)	«gry»	Gryphon shares to be issued as consideration (on the basis of 1 Gryphon share for every 11 Shield Bid Option)	«gyr2»

If any of the above address details are incorrect, please amend them and initial the alterations.

Your Shield Mining Limited Shares (and/or your bid options) have been compulsory acquired by Gryphon Minerals Limited. Please read your letter from Gryphon Minerals Limited dated 27 August 2010. The consideration for your Shield Shares (and/or Shield bid options) has been received by Shield and is being held in trust for you pending receipt of your instructions as to how to deal with it. To claim your consideration for this acquisition, you must sign in the box below and return this form.

2. Sign in the box below

Sign in the box below and return this form.

By signing in the box below you are claiming for all Shield Mining Limited Shares (and/or Shield bid options) formerly registered as held by you. You are claiming from Gryphon Minerals Limited the share amount shown above and are also enabling the registration of Gryphon shares to which you are entitled in your name(s), subject to the terms that applied to the acquisition of Shield shares (and/or Shield bid options) under Gryphon's takeover bid (as set out in the Bidder's Statement from Gryphon dated 30 June 2010). Receipt of payment by you (apart from any accidental loss of documents in the post) and registration of entitled Gryphon shares (where applicable) will discharge all obligations of Shield Mining Limited and Gryphon Minerals Limited to you in respect to this compulsory acquisition of Shield shares.

Individual or first joint Shareholder 1	Shareholder 2	Shareholder 3
<input type="text"/>	<input type="text"/>	<input type="text"/>
Sole Director and Sole Secretary	Director	Director/Secretary
Day	Month	Year
<input type="text"/>	<input type="text"/>	<input type="text"/>
Please provide a business hours telephone number so that we can contact you if necessary.		
Your Telephone No: <input type="text"/>		

You must complete, sign and return this Claim Form to one of the addresses shown overleaf.

How to Claim your Consideration for the Compulsory Acquisition

This document is important. If you are in doubt as to how to deal with this Claim Form please contact your Stock Broker or licensed Professional Advisor. Any other queries can be directed to the share registry for Gryphon Minerals Limited:

Security Transfer Registrars
PO Box 535, Applecross WA 6953 AUSTRALIA
770 Canning Highway, Applecross WA 6153 AUSTRALIA
Telephone +61 8 9315 2333
Facsimile +61 8 9315 2233
Email registrar@securitytransfer.com.au

Additional Notes

1. **Joint holding** – where the holding is in more than one name, all of the security holders must sign.

Power of attorney – to sign this form under power of attorney, you must send a certified copy of the power with the form, and will have declared that you have no notice of revocation of the power and are able to further delegate power under it under clause 4, Appendix A of the Bidder's Statement.

Deceased estate – all executors and administrators must sign and, a certified copy of probate, letter of administration or certificate of grant must accompany this form along with a certificate of death or succession duties (where required by law for the purpose of transfer) and (if necessary a statement in terms of section 1071B(9)(b)(iii) of the Corporations Act.

Companies – this form must be signed by either 2 directors or a director and a company secretary (and sealed if required in accordance with the company's constitution) or by a duly appointed attorney. If you are a sole director and, pursuant to the Corporations Act there is no company secretary, or you are also the sole company secretary, you may sign alone.

Fill out and return this Claim Form to one of the addresses as shown below.

By mail

Gryphon Minerals Limited
Security Transfer
Registrars Pty Ltd
PO Box 535
APPLECROSS WA 6953
AUSTRALIA

By hand

Gryphon Minerals Limited
Security Transfer
Registrars Pty Ltd
770 Canning Highway
APPLECROSS WA 6153
AUSTRALIA

If the Claim Form is sent by mail, you may use the enclosed reply paid envelope.

Privacy Statement

Personal information is collected on this form by Security Transfer Registrars Pty Ltd (STR), as registrar for securities issuers (the issuer), for the purpose of processing your acceptance of the Offer, maintaining registers of security holder, facilitating distribution payments and other corporate actions and communications. Your personal information may be disclosed to your related bodies corporate; to external service companies such as print or mail service providers, or as otherwise required or permitted by law. If you would like details of your personal information held by STR, or you would like to correct information that is inaccurate, incorrect or out of date, please contact STR. In accordance with the Corporations Act, you may be sent material (including marketing material) approved by the issuer in addition to general corporate communications. You may elect not to receive marketing material by contacting STR. You can contact STR on (08) 9315 2333, by posting to the above address, or by email to registrar@securitytransfer.com.au.

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 | 2,047,187 ordinary fully paid shares |
| 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	<p>Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none">• 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	Fully Paid Ordinary Shares – in consideration for the acquisition of 5,811,133 fully paid ordinary shares in Shield Mining Limited and 1,211,632 unlisted options to acquire ordinary shares in Shield Mining Limited that are exercisable at \$0.20 each (Options), on the basis of one Gryphon Minerals share for every 3 Shield Mining shares and one Gryphon Minerals Share for every 11 Shield Mining Options held, in accordance with the bidder's statement lodged by the Company with ASIC on 30 June 2010.	
6	<p>Purpose of the issue</p> <p>(If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Final Tranche:</p> <p>Fully Paid Ordinary Shares – in consideration for the acquisition of 5,811,133 fully paid ordinary shares in Shield Mining Limited and 1,211,632 unlisted options to acquire ordinary shares in Shield Mining Limited that are exercisable at \$0.20 each, in accordance with the bidder's statement lodged by the Company with ASIC on 30 June 2010.</p>	
7	Dates of entering ⁺ securities into uncertificated holdings or despatch of certificates	8 October 2010	
8	Number and ⁺ class of all ⁺ securities quoted on ASX (including the securities in clause 2 if applicable)	Number	⁺ Class
		288,959,558	Fully Paid Ordinary Shares

⁺ See chapter 19 for defined terms.

9	Number and ⁺ class of all ⁺ securities not quoted on ASX (including the securities in clause 2 if applicable)	Number	⁺ Class
		3,850,000	Options \$0.30, 11/06/11
		3,812,500	Options \$0.35, 11/06/11
		300,000	Options \$0.48, 16/10/11
		100,000	Options \$0.69, 01/04/12
		1,000,000	Options \$0.91, 16/08/12
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 <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	
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	

Part 3 - Quotation of securities

+ See chapter 19 for defined terms.

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	<p>Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • 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	<p>Reason for request for quotation now</p> <p>Example: In the case of restricted securities, end of restriction period</p> <p>(if issued upon conversion of another security, clearly identify that other security)</p>					
42	<p>Number and ⁺class of all ⁺securities quoted on ASX (<i>including</i> the securities in clause 38)</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%; padding: 5px;">Number</th> <th style="width: 50%; padding: 5px;">⁺Class</th> </tr> </thead> <tbody> <tr> <td style="height: 60px;"></td> <td></td> </tr> </tbody> </table>	Number	⁺ Class		
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: ... 8 October 2010...

Print name: Brett Dunnachie.....

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+ See chapter 19 for defined terms.