

**EXPLORATION UPDATE AND PLACING**  
**22 May 2009**

Greatland Gold plc (“Greatland” or the “Company”), the mineral exploration and development company focused on gold projects in Tasmania and Western Australia, is pleased to provide an update on exploration activities.

Sampling and mapping activities have been completed at the Tasmanian properties. The board is pleased to announce we can now move forward with drilling programmes at the Firetower and Warrentinna projects. Drilling programs are scheduled to start in August 2009 at the Firetower and Warrentinna properties.

**Firetower**

The Company has completed mapping and sampling activities at the CRA Anomaly 1 and Asarco West areas, totalling over 1.4km of strike. More than 150 surface samples have been collected from these areas and dispatched to Genalysis Laboratories in Adelaide. We expect sample results by the end of June 2009.

The sample results will guide the drilling activities. Targeted drilling of specific anomalies will commence during August 2009, weather conditions permitting. Currently, drilling equipment is being sourced for the programme.

In particular, drilling will test targets where up to 916ppb gold in surface samples has been previously returned from sampling completed by the Company. At least two diamond holes will be drilled to a maximum depth of 125m each with provision for further diamond holes dependent on results.

**Warrentinna**

The Company has completed mapping and sampling activities over three areas, totalling over 2.4km of strike, at its Warrentinna project. Over 300 samples have been collected and dispatched to Genalysis Laboratories in Adelaide. Sample results are expected by the end of June 2009.

Drilling activities are scheduled to commence in August 2009. Specifically, drilling is planned for Derby North to test strike extensions to gold mineralisation intersected in previous drilling by the Company. Results will determine the viability of an open pitable gold resource at Derby North. Other targets may be tested based on results from surface sampling at other areas. It is planned to drill nine reverse circulation (RC) holes to a maximum depth of 100m each with provision for further RC holes dependent on results.

**East Lisle**

Data compilation and desktop studies have been completed for this property. Several hard rock gold targets have been identified. Follow up ground reconnaissance on these areas is expected to commence in the second half of 2009.

**Lackman Rock**

Greatland is awaiting grant of title to this tenement. Field activities are expected to commence in the second half of 2009.

**Corporate**

The gold price remains buoyant particularly following the recent depreciation of the US dollar. This has made gold attractive in the local currencies of key buyer countries including India, China, Australia and South Africa.

We are encouraged by evidence of central bank buying of physical gold. The announcement by the Chinese central bank that it had increased its gold reserves from 600 tonnes to 1,054 tonnes is a major endorsement for gold investment.

According to GFMS Limited, gold prices are forecast to trade with the range of \$860 to \$960 per ounce from May to June 2009.

The Company has a very active period immediately ahead with drilling programs at its Firetower and Warrentinna properties.

Greatland continues to pursue possible funding alternatives from partners. Although to date, these have not been forthcoming, our board believes partner funding may be encouraged by our drilling plans.

**Placing**

Mindful of the current investment climate for small AIM listed exploration companies, and Greatland's plans which will involve an increase in its exploration expenditure during our next financial year to June 2010, the board is encouraged to have received offers for further equity financing from City institutions. We welcome new investment and the opportunity to widen our investor base.

The board is pleased to announce the successful placing of 43,000,000 new ordinary shares at a price of 0.7p each raising the gross sum of £301,000 before expenses. The funds raised will be used to provide additional working capital for the Company.

Application has been made for the admission to trading on AIM of these shares, with admission expected to take place on 29 May 2009.

Following the issue of these shares, Greatland's capital will consist of 239,550,000 ordinary shares of 0.1p with voting rights. Greatland does not hold any shares in treasury.

Therefore, the total number of voting rights in Greatland is 239,550,000.

The above figure may be used by shareholders as the denominator for the calculations by which they will determine if they are required to notify their interest in,



or a change to their interest in, Greatland under the FSA's Disclosure and Transparency Rules.

Callum Baxter, Managing Director, commented: "Our work so far this year remains on track to deliver drilling programs at our Tasmanian properties in the second half of 2009. We look forward to positive results from the surface sampling and drilling programs. The acceleration in Greatland's activities will lead to a higher rate of expenditure over the 2010 financial year hence we are pleased to have positioned Greatland with a comfortable level of capital reserves ahead of the accelerated exploration activity and increased expenditure."

### **Competent Persons**

*The information in this announcement that relates to Exploration Results is based on information compiled by Mr Paul Askins and Mr Callum Baxter, directors of Greatland Gold plc, who are both members of the Australasian Institute of Mining and Metallurgy. Paul Askins and Callum Baxter have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity that they are undertaking to qualify as Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Paul Askins and Callum Baxter consent to the inclusion in the announcement of the matters based on their information in the form and context in which it appears.*

### **Enquiries:**

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