

ASX Announcement and Media Release
Friday, 30 April 2010

Quarterly Report For the period ending 31 March 2010

Highlights

- **Banfora Gold Project - Burkina Faso, West Africa**
 - Ongoing Exploration (with further results still pending) includes:
 - **Multiple zones of high grade gold mineralisation intercepted at the underexplored Nangolo 'pressure shadow'** including 5m @ 16.00g/t, 7m @ 11.24g/t and 16m @ 5.27g/t.
 - **High grade gold intercepts of 11m @ 4.42g/t, 12m @ 3.87g/t & 16m @ 2.81g/t Au** at the Nogbele and Fourkoura Deposits.
 - Mineralisation continues to be shallow (<100 meters depth) and open at depth and along strike.
 - Step out and infill RC/DD drilling at Nogbele & Fourkoura, targeting shallow gold mineralisation, continues.
 - Maiden RC drilling at the first new satellite targets in close proximity to Nogbele & Fourkoura deposits completed, results pending.
 - Soil geochemical sampling and trenching over the majority of the untested 1200km² project area continues, results pending.

Corporate

- Divestment of the Company's Australian gold and nickel assets to Renaissance Minerals Limited (Renaissance) was approved by shareholders.
- Renaissance Minerals Limited prospectus for an initial public offer of its shares (IPO), including a priority offer to Eligible Gryphon Shareholders lodged with the Australian Securities and Investments Commission (ASIC).
- **Current cash position of approximately \$23 million.**
- The Company recently completed an international investor road show focusing on Europe and North America, and included an invitation to present at the prestigious BMO Conference in Florida, USA.

Fast Facts ≈

Capital Structure	Jan 2010
Shares on issue	216 million
Market Cap	A\$140 million
Cash in bank	A\$23 million (as at Mar 10 Qtly)

Company Directors & Management

Mel Ashton	NonExec Chairman
Steve Parsons	Managing Director
Didier Murcia	Non-Exec Dir
Steve Zaninovich	Non-Exec Dir

Mathew Bowles	Chief Dev. Officer
Hamish Halliday	Consultant
Michael Fox	Expl. Mgr. Africa
Shane Hibbird	Expl. Mgr. Aust

Top Shareholders ≈

Management
IFC (World Bank Group)
Macquarie Bank
Genesis Fund
Baker Steel
Phoenix Gold Fund
Other Aust & Intl Institutions
Top 40 ≈65%

Company Highlights

- New +Million oz gold discovery
- Aggressive exploration
- Big hitting shareholders
- Proven Management team
- '2009 Explorer of the Year', Gold Mining Journal



Banfora Gold Project, West Africa

Inferred Resource
14Mt @ 2.4g/t for 1,100,000oz gold
less than 100 metres depth & open

Recent Results include:

BNRC0988: 17m @ 9.2g/t from 16m
BNRC823: 24m @ 4.75g/t fr 23m
BNR630: 12m @ 8.66g/t fr 0m

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Introduction

In late 2009 Gryphon was pleased to announce a major milestone by reaching over 1 million ounces of gold at the at the Company's flagship Banfora Gold Project in Burkina Faso, West Africa. The Company views this resource as an **interim estimation with significant potential to define further shallow ounces** from the on-going drilling programmes. The Company is anticipating a new resource estimate in the first half of 2010 at the Banfora Gold Project.

The Company is currently undertaking approximately 20,000m RC/DD which continues to **target shallow high grade gold mineralisation** (≈100 meters vertical depth) outside of the current defined resource estimate at Nogbele and Fourkoura. Initial results are very encouraging with **high grade gold intercepts including 11m @ 4.42g/t, 12m @3.87g/t & 16m @2.81g/t Au.**

Ongoing resource drilling from the Nangolo 'pressure shadow' at the Nogbele gold deposit has intercepted additional high grade mineralisation including **5m @ 16.00g/t, 7m @ 11.24g/t and 16m @ 5.27g/t .** Further drill results will be made available at the earliest opportunity.

To date the total resource estimate is located on only two target areas, the only areas to date to have received any RC/DD drilling. The Company is **testing several high priority target areas** within a 15 kilometre radius of the Nogbele deposit with the maiden RC drilling at the first new satellite targets completed during the quarter. These results are currently pending.

The Company is also undertaking a **detailed regional mapping and soil geochemical sampling programme** that has already highlighted several new and previously untested areas on the Banfora Project. A reconnaissance RAB and Auger drilling programme focussed on these new, previously untested regional targets is commencing shortly.

The Company has a current cash position of approximately \$23 million after **completing the \$20 million capital raising** to new and existing institutional investors including a number of UK, European and North American based international resource funds in late 2009.

In early 2010 Gryphon announced its intention to **divest its Australian gold and nickel assets** to newly-formed gold exploration company Renaissance Minerals Limited (Renaissance), subject to the completion of commercial terms and agreements and relevant approvals, including Gryphon shareholder approval.

The decision by Gryphon to divest its interest in the historical Radio Gold Mine and Eastern Goldfields Projects in Western Australia supports the company's **strategy to become a significant gold exploration and, over time, mining company in West Africa.** The Company views this as the best way to maximise value for Gryphon shareholders, through the divestment of its non-core Australian assets, allowing management to focus on the Banfora Gold Project in Burkina Faso and its West African growth strategy.

The divestment of Gryphon's Australian gold and nickel assets to Renaissance was approved by shareholders at a General Meeting held on 15 April, 2010 and a prospectus for an IPO in Renaissance was lodged with ASIC.

Gryphon recently completed an international investor road show focusing on Europe and North America, which included being **invited to present at the prestigious BMO Conference in Florida, USA.** This invitation is in recognition of Gryphon as an emerging West African focused gold company.

We are very excited about the recent drilling results from Nogbele and Fourkoura deposits as well as the anticipated results from the satellite targets. **Gryphon is committed to continue the hard work and dedication to our strategy to realise value for all shareholders.**

Banfora Gold Project - Burkina Faso, West Africa

Background

The Banfora Gold Project is located in the south-west of Burkina Faso, West Africa in a major gold producing district, host to such world class gold deposits as **Randgold's Tongon** (4.2Moz), **Resolute's Syama** (5 Million oz Au mined & 6.5 Million oz Au in resources) and **Randgold/Anglo Ashanti's Morila** (6.5Moz).

The project is **owned 100% by Gryphon Minerals** and contains continuous exploration licenses covering approximately 1150km² of a major gold district. The project is easily accessible by road and in close proximity to the town of Banfora and the major city of Bobo Dioulasso. Grid power is located approximately 30km from the eastern boundary of the project.

The Company recently announced an inferred resource at the Banfora Project of **14Mt @ 2.4g/t for 1,100,000 oz** of gold of which the **majority is shallow and above 100 meters depth**. The Company views this resource as an interim estimation with significant potential to define further shallow ounces from the on-going drilling programmes (Refer to ASX release 21/9/09 for details).

A major shear zone on the western margin of the Nogbele granodiorite continues south for **30 kms to Randgold's world class 4.2 Million ounce Tongan gold deposit**.

Regionally within the 1200km² project area there remain numerous untested high priority targets. During 2010 Gryphon intends to systematically drill test a large proposition of new targets that include Nangolo, Ouahiri, Samavogo and Muddhi Prospects. Previous reconnaissance drill intercepts include 24m @ 2.51g/t Au from surface, 22m @ 2.72g/t Au from 16m, 15m @ 2.76g/t Au from 12m and 23m @ 4.60g/t Au from 16m. All are open at depth and along strike.

The Company believes that drill results to date confirm the potential for the Banfora Gold Project to host world class gold mineralization similar to other major deposits in West Africa.

Activities during the March Quarter

Ongoing resource "step out" and "infill" drilling, satellite target drilling and regional soil sampling

The Company is undertaking an ongoing RC/DD drilling programme over the coming months which will continue to target shallow high grade gold mineralisation (~100 meters vertical depth) outside of the current defined resource estimate. Gryphon **aims to establish a multi-million ounce gold district** by targeting "step-out" mineralization as well as high priority satellite targets at the Banfora Gold project.

Ongoing results from the resource drilling program are very encouraging with **high grade gold intercepts including 11m @ 4.42g/t, 12m @ 3.87g/t & 16m @ 2.81g/t** Au. Furthermore, step out and infill drilling from the Nangolo 'pressure shadow' at the Nogbele gold deposit has intercepted additional high grade mineralisation including 5m @ 16.00g/t, 7m @ 11.24g/t and 16m @ 5.27g/t.

To date the total resource estimate is located on only two target areas (Nogbele & Fourkoura) and are the only areas to date to have received any RC/DD drilling. The Company is intending to test a further four high priority target areas within a 15 kilometre radius of the Nogbele deposit with RC/DD. Previously released reconnaissance RAB drill results from these other four high priority targets have included **7m @ 3.6g/t** Au from 8m at the Ouahiri target, **8m @ 4.6g/t** Au from 16m at the Muddi target, **4m @ 8.2g/t** Au from the Samavogo target

The maiden RC drill program for the first two of these satellite targets has been completed and results are pending.

The Company is currently undertaking a detailed regional mapping, soil geochemical sampling and targeting programmes that has already highlighted several new and previously untested areas on the Banfora Project. It is anticipated that a reconnaissance RAB drilling programme focussed on the **new, previously untested regional targets** will be undertaken over the coming months.

Drill results from this phase of RC/DD drilling will be made available at the earliest opportunity.

Australian Projects

Gryphon has received shareholder approval on the proposed divestment of its Australian gold and nickel assets to newly-formed gold exploration company Renaissance. The decision by Gryphon **to divest its interest in the historical Radio Gold Mine and Eastern Goldfields Projects in Western Australia** supports the company's strategy to become a significant gold exploration and, over time, mining company in West Africa.

Renaissance lodged a prospectus for an IPO with ASIC on 15 April 2010. To view a copy of the prospectus please go to www.renaissanceminerals.com.au

Key points for the divestment include:

- The divestment will allow Gryphon to focus on its core Banfora Gold Project in Burkina Faso and its West African growth strategy;
- The divestment allows Gryphon to unlock the value of its Australian assets, for which it currently receives little value, whilst maintain a strategic stake of approximately 18% in a company that has a strong and proven Board and Management team;
- A preferential offer to Eligible Gryphon shareholders, to subscribe for Renaissance shares (**Preferential Offer**) in the event that Renaissance pursues an IPO and subsequent listing on the ASX;
- Shareholders will also gain an indirect interest in the Alaskan project Renaissance is acquiring, which provides blue sky potential; and
- Renaissance has appointed Mr Mel Ashton, Chairman of Gryphon, to the Board as a non-executive director.

Radio Project - Gold

The Radio Project (500km²) is an advanced high-grade gold project located in the Bullfinch region of Southern Cross, Western Australia. Gryphon Minerals owns the majority of the project area 100% including the historical Radio gold mine. The project area abuts the +1 million ounce Copperhead gold mine and contains the Radio gold mine, which historically produced over **71,000 ounces of gold at 38.5g/t**. The project area is highly prospective for large tonnage multi-million ounce gold deposits as well as smaller high-grade gold deposits.

Activities for the March Quarter

During the period little field exploration work was undertaken.

Eastern Goldfields Project - Gold, base metals

The Project is located in the Eastern Goldfields of West Australia, approximately 80 km east of the major gold mining town of Kalgoorlie and covers a major 2500km² land position between Saracen Minerals (ASX:SAR) to the north and Integra Mining (ASX: IGR) to the south.

Carosue Dam is the largest mine in area having produced 1.2Moz of gold. Historical mining has produced over 10Mozs along the Keith-Kilkenny Tectonic Zone that passes through the Project area. Other resources in the area include over 7 million tonnes of nickel metal in both sulphide and laterite. Significant gold production in the region includes Kalgoorlie with greater than 50Moz 80km to the west, Norseman with greater than 10Moz located 200km to the south, and Laverton with greater than 10Moz located 180km to the north.

Saracen Minerals is currently commissioning Carosue Dam. Integra Mining is commencing development of its Randalls Project.

Activities for the March Quarter

During the period no field exploration work was undertaken.

Collurabbie Project

The Collurabbie project covers approximately 270km² and hosts both the Northern and the Southern extensions of the sequence of ultramafic and mafic rock types that host the mineralisation at the Collurabbie Joint Venture Nickel Discovery (BHP-Falcon Minerals).

Activities during the March Quarter

During the period no field exploration work was undertaken.

Mount Rankin Project

The Mount Rankin Project covers approximately 400km² and contains highly prospective and previously untested ultramafic units that are interpreted to be the same or similar units that continue south to the Forresteria region that host Western Areas Flying Fox nickel deposits.

Activities during the March Quarter

During the period no field exploration work was undertaken.

Australian Projects owned 100% by Gryphon Minerals and are not being divested to Renaissance Minerals:

West Bending Project - Nickel, Cobalt, Copper, PGE's, Iron (100%)

The West Bending Project hosts a large layered ultramafic intrusion prospective for sulphide nickel, cobalt, copper, Iron and Platinum Group Elements (PGE's). Limited historical drilling has intersected shallow mineralized horizons of up to **1m @ 0.85% Nickel** and **1.7m at 0.45% Copper**. Surface rock chip sampling along strike from the drilling has returned results from two sites of up to **57.8% Iron** (site 1) and **0.37% Nickel & 46.0% Iron** (site 2) in massive coarse grained magnetite and gossanous rocks.

Activities for the March Quarter

No field exploration was undertaken during the quarter.

Mount Windarra Project - Nickel Sulphide

Gryphon Minerals' **100% owned** Mount Windarra project is located only a few hundred metres from Poseidon's, famous 1960's Mount Windarra nickel discovery and mining operation. The project area contains ultramafic units interpreted to be the basal Mount Windarra ultramafic unit that hosts Poseidon's Mount Windarra and Woodline Well nickel deposits. These deposits produced in excess of 85,000 Tonnes of nickel.

Activities during the March Quarter

During the period no field exploration work was undertaken.

Mt Isa Project - Uranium

Gryphon Minerals **90% owned** Hamilton River and Cat Creek Uranium Projects (660km²) are unexplored and are highly prospective for channel and calcrete style uranium mineralization in the Mount Isa District of Queensland. The Hamilton River Project secures in excess of 60km strike length of prospective channels while the Cat Creek Project contains a significant 200 square kilometre untested surficial uranium radiometric anomaly.

Activities for the September Quarter

During the period no field exploration work was undertaken.

Project Generation

During the quarter Gryphon Minerals continued to identify and review additional mineral exploration projects both in Australia and West Africa, which may offer value enhancing opportunities to Shareholders.

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

Yours faithfully



Steve Parsons
Managing Director

Information in this report from data collection to wireframe interpretation, at Nogbele and Fourkoura 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.

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 consent to their inclusion in the report of the matters based on his information in the form and context in which it appears.

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

GRYPHON MINERALS LIMITED

ABN

31 107 690 657

Quarter ended ("current quarter")

31 March 2010

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (9 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for:		
(a) exploration and evaluation	(2,460)	(7,996)
(b) development	-	-
(c) production	-	-
(d) administration	(730)	(2,050)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	268	418
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other	-	-
Net Operating Cash Flows	(2,922)	(9,628)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(26)	(40)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	(26)	(40)
1.13 Total operating and investing cash flows (carried forward)	(2,948)	(9,668)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(2,948)	(9,668)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	7,600	22,000
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Cost of issuing shares	(377)	(1,011)
	Net financing cash flows	7,223	20,989
	Net increase (decrease) in cash held	4,275	11,321
1.20	Cash at beginning of quarter/year to date	19,061	12,015
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	23,336	23,336

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	225
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Payments to Directors	
Salaries, Fees and Superannuation	146
Payments to Director related entities	
Auctor Group Pty Ltd (Rent for Premises)	77
Murcia Pestell Hilliard (Legal fees)	2

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil.

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil.

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	4,005
4.2 Development	-
Total	4,005

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	3,257	3,061
5.2 Deposits at call	20,079	16,000
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	23,336	19,061

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	Nil	-	-
6.2	Interests in mining tenements acquired or increased	Nil	-	-

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

Issued and quoted securities at end of current quarter


Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities (description)	-	-		
7.2 Changes during quarter				
(a) Increases through issues	-	-	-	-
(b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3 +Ordinary securities	215,989,098	215,989,098		
7.4 Changes during quarter				
(a) Increases through issues	15,200,000	15,200,000	50.0 cents	50.0 cents
(b) Decreases through returns of capital, buy-backs	-	-	-	-
7.5 +Convertible debt securities (description)	-	-	-	-
7.6 Changes during quarter				
(a) Increases through issues	-	-	-	-
(b) Decreases through securities matured, converted	-	-	-	-
7.7 Options (description and conversion factor)			<i>Exercise price</i>	<i>Expiry date</i>
	50,000	-	25.0 cents	31 August 2010
	4,077,500	-	30.0 cents	11 June 2011
	3,977,500	-	35.0 cents	11 June 2011
	300,000	-	48.0 cents	16 October 2011
7.8 Issued during quarter	-	-	-	-
7.9 Exercised during quarter	-	-	-	-
7.10 Expired during quarter	-	-	-	-
7.11 Debentures (totals only)	-	-		
7.12 Unsecured notes (totals only)	-	-		

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:  Date: 30/04/10
(Company secretary)

Print name: Brett Dunnachie

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities.** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Cash Flow Statements* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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