



Thursday, 21 December 2006

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Australian Stock Exchange
Exchange Place
2 The Esplanade
Perth WA 6000

Share Placement to Macquarie Bank, Dundee Precious Metals Inc & Rand Merchant Bank

Gryphon Minerals Ltd is pleased to announce that the company has completed a share placement to major shareholders to raise \$1.7 Million. The share placement has been made with existing major shareholders **Macquarie Bank** and **Dundee Precious Metals Inc**, and with the investor group **Rand Merchant Bank**. The funds raised will be primarily utilized for the on-going exploration at the company's highly prospective Banfora Gold Project in West Africa.

The placement consists of 5,364,346 new ordinary shares to be issued at a price of \$0.32 per share to raise total funds of \$1,716,590. Gryphon believes the price of the placement, at a premium to the current share price, reflects the potential of the Company's Banfora Gold Project.

The shareholders will also be issued 5,364,346 free attaching unlisted options exercisable at \$0.40 on or before 31 December 2008 to be issued subject to shareholder approval at a meeting of members to be held within the next six (6) weeks. A notice of meeting will be sent to members in due course.

The Directors of Gryphon Minerals acknowledge the continued support of Macquarie Bank, Dundee Precious Metals Inc and Rand Merchant Bank. The Company is also pleased to have **Newmont Mining Corporation** as a recent major shareholder to the Company's registrar. The Company believes that these major investor groups will bring extensive experience in funding, investing and significantly advancing the Company's Banfora Gold Project in West Africa.

Gryphon Minerals is currently undertaking an aggressive exploration programme which includes an approximate 10,000 metre Reverse Circulation drill programme and a regional soil geochemical and target generation programme. Results of the programmes will be made available at the earliest opportunity.

For more detail on the Banfora Gold project please refer to the previous Gryphon Minerals Ltd, Australian Stock Exchange (ASX) Announcements or visit the Gryphon Minerals website: www.gryphonminerals.com.au.

Yours faithfully

Steve Parsons
Managing Director

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

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