



## GALLERY GOLD LIMITED

ACN 009 125 197

### ASX Announcement

April 2, 2004

#### **Gallery placement to boost key projects**

Gallery Gold Limited is pleased to announce the placement of 54.75 million shares at 25 cents each to institutional and sophisticated clients by Euroz Securities Limited and RBC Capital Markets to raise approximately \$13.7 million.

Gallery will also issue up to 24 million shares at 25 cents to shareholders under a Share Purchase Plan to raise a maximum of a further \$6 million. Shareholders registered on April 16 will be entitled to apply for up to 20,000 new fully paid ordinary shares at 25 cents until 5 pm on 30 April, 2004.

Gallery will apply the funds raised to:

- Support development of, and exploration surrounding, the Mupane gold project now under construction;
- Complete the pre-feasibility study for its Buckreef project in Tanzania; and
- Accelerate exploration of Gallery's other advanced gold projects in Tanzania and Botswana.

The work programs will include;

1. **Mupane Gold Project in Botswana** – Recent exploration has confirmed the potential for development of new satellite deposits that are expected to add value to the Mupane project through increased reserves and improved head grades. Gallery plans to follow-up the most recent work with more drilling, mapping, trenching and metallurgical testing to build the project reserve base and explore additional targets with potential to increase mine life. The gold mine and processing plant at Mupane is on schedule for first gold production in the last quarter of 2004.
2. **Pre-feasibility study at Buckreef-Rwamagaza in Tanzania** - The Company intends to accelerate the Buckreef-Rwamagaza drilling program and pre-feasibility study.
3. **Increased exploration of tenements in Tanzania and Botswana.** The Company is planning to follow up encouraging results at Gallery's Kitongo deposit in Tanzania. Past work has provided some high grade intersections and gold in soil anomalies which need further drilling and assessment. At the same time, Gallery intends to begin exploration work on the most prospective areas of its Vumba and Maitengwe leases in Botswana.

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