

28 April 2004

ANNOUNCEMENT TO ASX LIMITED

GYMPIE GOLD INVESTMENT

Agreement has been reached, subject to documentation and shareholder approval, for the acquisition of a share in the senior secured debt of Gympie Gold Limited (Receivers and Managers Appointed, Voluntary Administrator Appointed) (Gympie Gold). This investment is to be acquired from interests associated with certain of the Company's Directors and is to be made at the same cash cost as incurred by those associated parties, plus holding costs. The consideration, which is to be settled by payment of cash from Buka's cash reserves, is estimated at today's date to be \$3.97 million.

The initial investment was made directly by the Director-associated interests rather than by Buka as it was negotiated prior to those Directors becoming shareholders in and Directors of the Company. The investment was made with the intention of being later offered to Buka. The transfer to Buka has now been approved by the non-associated Directors.

The investment is governed by a commitment letter, to which Buka will become a party, between the debt syndicate members, which also include Mizuho International plc and Investec Bank (Australia) Limited. The commitment letter describes the approach of the syndicate to the potential restructuring and recapitalisation of Gympie Gold, should that be appropriate. Details will be provided in an Explanatory Memorandum to accompany the Notice of Meeting.

The investment represents a low risk position in a dynamic situation.

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ATTACHMENT TO BUKA MINERALS LIMITED ASX RELEASE, 28 APRIL 2004

GYMPIE GOLD LIMITED

(Receivers and Managers Appointed)

(Voluntary Administrator Appointed)

BACKGROUND INFORMATION¹

Gympie Gold

Gympie Gold entered voluntary administration and receivership following a fire at its 90% owned Southland Colliery in December 2003. At that time, Gympie Gold had an enterprise value (market capitalisation plus debt) of approximately \$230 million.

Key Assets

Gympie Eldorado – Gympie Gold owns 100% of the mining and exploration activities at the historic Gympie goldfield in southeast Queensland. The goldfield has produced more than 4 million ounces of gold in its history. The current level of gold production is approximately 30,000 ounces per annum. A four year, \$25 million exploration programme was launched in August 2002 but was suspended in early 2003 and again in early 2004. This programme was aimed at discovering a major new gold ore system analogous to the Inglewood–Stockwork–Gympie Vein system in the current mine area, which has yielded 2 million ounces historically, and met with early success with the discovery of an uplifted repetition of that system at the South Inglewood prospect.

Southland Colliery – Gympie Gold owns 90% of the Southland Colliery in the Hunter Valley of New South Wales. Prior to the December 2003 fire, Southland was producing at a rate of approximately 2 million tonnes of semi-hard and semi-soft coking coals per annum. Southland's is Australia's lowest ash, highest fluidity coking coal. At 30 June 2003, prior to the fire, Southland had proved and probable reserves of 40.75 million tonnes, contained within measured and indicated resources totalling 141.5 million tonnes. The coal mine has ceased operations.

Both the Gympie Eldorado and Southland interests are currently being offered for sale by the Receiver-Managers.

Balance Sheet

At 30 December 2003, Gympie Gold's balance sheet included total assets of approximately \$218.7 million (including book values of \$100 million for Southland, \$86 million for Gympie Eldorado and \$32.7 million in liquid assets). Total liabilities were stated as \$132.4 million, including the senior secured debt of \$30.2 million.

Further information is available at www.gympiegold.com.au.

1 The information presented is taken from and summarises previously published information.