



GALLERY GOLD LIMITED
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MEDIA RELEASE

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MAJOR INCREASE IN BUCKREEF PROJECT RESOURCE

Highlights

- Buckreef gold resource in Tanzania increased by 36% to 1.91 million ounces
- Buckreef Project Feasibility Study underway for a 140,000 ounce per annum operation with production scheduled to commence in 2007.
- New estimate follows production success at the Mupane operation in Botswana

Gallery Gold Limited today announced that the gold resources at its Buckreef Project in Tanzania have increased by 36 % to 1.91 million ounces, based on drilling results obtained over the last six months in the Busolwa area.

The Company now has two significant near-surface resources – at Buckreef and Busolwa – on a 40-kilometre strip of tenements in the Lake Victoria region of Tanzania. Gallery also has additional higher grade underground resources at Buckreef.

At Busolwa, a revised MIK model completed by Hellman and Schofield in July 2005 estimated a total inferred resource of 13.7 million tonnes at an average grade of 1.8 g/t Au for 785,000 ounces using a cut-off grade of 1 g/t Au. The new resource figure represents a 506,000 ounce increase over the previously estimated inferred Busolwa resource.

Announcing this significant increase Gallery Gold's Managing Director Hamish Bohannon said that the company was delighted with the results and was well placed to progress the development of a 140,000 ounce per annum project, based initially on open pits at Buckreef and Busolwa. The project would be supported by a single regional processing plant.

Exploration in the Buckreef-Busolwa area needs further work to fully delineate the extent of the mineralized system and a substantial drilling program will continue for the next six months to further define the resource.

“These initial results are particularly good giving us excellent open pit potential in the project area,” Mr Bohannon said.

“We are confident that the results of the current Buckreef Feasibility Study will be positive – and are aiming to develop our second gold mine and processing plant in 2006.”

Gallery acquired the Buckreef project in October 2003. Drilling and resource assessment since then has increased the project resource from 871,000 ounces to 1.91 million ounces.

Gallery Gold’s first mine is the 100,000 ounce per annum Mupane operation in Botswana commissioned in October 2004.

On July 21, the Company reported 52,017 ounce production for the first six months of the current year. This is ahead of budget.

A plan of the Buckreef Project Area is attached

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Any information in this report relating to geology, drilling, mineralisation and mineral resource estimates is based on information compiled by Marcus Tomkinson and Linton Putland, employees of Gallery Gold Limited, and N Johnson of Hellman & Schofield who are Competent Persons under the meaning of the JORC Code with respect to the mineralisation being reported on. All have given their consent to the Public Reporting of these statements concerning geology, drilling mineralisation and resources.

Gallery Gold Limited - background

Gallery Gold Limited is a Perth-based publicly listed mining and exploration company. The company is building an African mining success story, based on a strong asset base, effective exploration, sound investment, robust community partnerships and professionalism in all aspects of its operations.

The 100,000 oz per annum Mupane gold project in Botswana is Gallery's first mine. This low cost operation underpins the company's objective to become a significant southern African gold producer.

Gallery is also developing a gold mine at its Buckreef Project in Tanzania. This project is currently in feasibility study and is anticipated to come on stream in early 2007.

In addition Gallery Gold has joint venture projects exploring for gold, nickel and diamonds on selected prospects in its 7,400 km² of tenements in Botswana and Tanzania.

Tanzania

Tanzania is politically stable and has a government that has taken considerable measures to liberalise the economy along market lines following the dismantling of state economic controls.

Foreign private investment is encouraged and the Government's economic policies include improved monetary control, liberalising the trade regime and removing most price controls. To attract foreign investment the Government also has redrawn its taxation code and created an investment promotion centre to cut bureaucratic red tape.

Botswana

Foreign companies investing in Botswana enjoy operating in Africa's most politically and economically stable country.

In 2004 Moodys Investors Services and Standards & Poor's both assigned A credit ratings to Botswana confirming its position as an excellent credit risk, at least on par or above many European, Asian and Latin American countries.

In addition its government is regarded as open and stable and corruption which is endemic in many African nations is virtually unknown. Foreign and domestic firms are treated in the same manner and there is no discrimination towards domestic companies. As a result there are no impediments to investment or competition.

