

3 November 2011

Manager of Company Announcements
ASX Limited
Exchange Centre
20 Bridge Street
SYDNEY NSW 2001

By E-Lodgement

Eldorado Gold enters into subscription agreement to acquire 19.9% of Glory Resources

HIGHLIGHTS:

- **Glory enters into a binding subscription agreement with Eldorado Gold Corporation, to participate in a proposed Capital Raising of up to \$50 million (minimum \$42.5 million) to fund the acquisition of the high grade Sapes Gold Project (830koz resource) in Greece.**
- **At completion Eldorado will hold a 19.9% interest in Glory and will contribute approximately 25% of the funds raised under the Capital Raising.**
- **Eldorado Gold Corporation is a Canadian international gold producer with six operating mines, one mine under construction and two development projects including the Perama Hill Gold Project (1.9moz) in Greece, located only 15kms from the Sapes Gold Project.**
- **Post completion of the Sapes Gold Project acquisition Eldorado has a right to elect a nominee to the Glory board.**

Glory Resources Limited (ASX: GLY) (**Glory** or the **Company**) is pleased to advise that it has entered into a binding Subscription Agreement (**Agreement**) with Eldorado Gold Corporation (ASX:EAU TSX:ELD NYSE:EGO) (**Eldorado**) that will see Eldorado acquire a relevant interest of 19.9% in the Company as part of its proposed capital raising for the acquisition of the high grade Sapes Gold Project in Greece.

As announced to the ASX on 18 August 2011, Glory has entered into a Heads of Agreement to acquire 100% of the Sapes Gold Project from Cape Lambert Resources Limited (ASX:CFE) for total upfront consideration of AUD\$36.5m (refer ASX announcement dated 18 August 2011 for full acquisition terms and conditions precedent).

To fund the acquisition of the Sapes Gold Project, Glory will be conducting an equity capital raising of up to \$50 million, with a minimum subscription of \$42.5 million (**Capital Raising**). Glory has engaged Mirabaud Securities LLP, a leading UK brokerage, as lead manager to the Capital Raising.

Eldorado will participate in the Capital Raising to the extent that it will obtain a relevant interest in 19.9% of Glory shares on issue upon completion of the Capital Raising. Post completion of the acquisition of the Sapes Gold Project, Eldorado has right to a board seat of Glory.

BOARD

Jason Bontempo
Jeremy King
Bernard Aylward

COMPANY SECRETARY

Emma Wates

CORPORATE INFORMATION

Shares on issue	37.8m
Options on issue	15.2m
Cash	\$3.6m

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ASX CODE

GLY



Commenting on the Agreement, Director Mr Jason Bontempo, said:

“Eldorado has significant global gold mining experience and a strong understanding of the Greek mining sector by virtue of its Perama Hill Gold Project (1.9moz) in the Thrace region of Greece. The Perama Hill Gold Project is located only 15kms from the Sapes Gold Project and is advancing towards a construction decision, subject to the receipt of all permits and licenses.

To have secured a quality international gold company such as Eldorado as a cornerstone investor in our Company is a strong endorsement of the development plans Glory has for the high grade Sapes Gold Project.”





Eldorado operates in China, Turkey, Brazil and Greece, with a publicly stated goal to produce approximately 1.5 million ounces of gold annually in 2015. Eldorado has a market capitalisation of circa A\$9 billion as at the date of this announcement.

The Sapes Gold Project contains a total JORC Measured and Indicated resource of 830koz @ 9.8 g/t Au (Measured 647koz @ 8.9 g/t, Indicated 183koz @ 14.9g/t), and JORC Proved and Probable ore reserves of 637koz @ 15.1 g/t Au (Proved 23koz @ 3.5g/t, Probable 614koz @ 17.2 g/t). In accordance with the Sapes Gold Project feasibility study (last updated in 2010), the Company is targeting future life of mine gold production of 510,000oz Au with total capital expenditure of US\$100m and estimated operating costs of US\$297/oz over a seven year mine life.

Preliminary Environmental Impact Study (PEIS) for Sapes has been lodged with the Ministry of Environment (MOE) marking the first key step in permitting for gold production. The Sapes mine will predominantly be a concentrate producer.

The Subscription Agreement with Eldorado is subject to the following Conditions Precedent:

- the Company completing the acquisition of the Sapes Gold Project as contemplated by the ASX announcement dated 18 August 2011;
- the Company completing the Capital Raising;
- the Company obtaining all necessary shareholder approvals required by the Corporations Act and the ASX Listing Rules in relation to the acquisition of the Sapes Gold Project and the Capital Raising including re-compliance with Chapters 1 and 2 of ASX Listing Rules; and
- all relevant consents and approvals including (but not limited to) approval from the Greek government and authorities for the acquisition of the Sapes Gold Project being obtained on terms acceptable to the Company.

For further information please contact:

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Competent person statement

The information in this release and annexure that relates to exploration results is based on information compiled by Mr Bernard Aylward. Mr Aylward is director of and a consulting geologist to Glory Resources Limited. Mr Aylward is a member of The Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposit 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 Aylward consents to the inclusion in the report of the matters based on information in the form and context in which it appears.

Information pertaining to the Sapes Ore Reserves and Minerals Resources has been supplied by Cape Lambert Resources Limited and previously published in the ASX announcement dated 18 August 2011.