

BUKA GOLD LIMITED

ASX ANNOUNCEMENT, 5 DECEMBER 2008

NEW MT SCOTCHY DIAMOND DRILLING RESULTS

Buka Gold Limited (BKG) advises that assay results from the remaining seven holes of the first Mt Scotchty diamond drilling program have now been received. Three of these seven holes returned significant intercepts, as follows:

- **0.96m at 3.3g/t Au, 419.0g/t Ag, 3.6 % Pb and 0.8 % Zn (MSDD11, 146.44-147.40m),**
- **1.70m at 1.5g/t Au, 177.2g/t Ag, 0.4 % Pb and 2.1 % Zn (MSDD13, 61.20-62.90m), and**
- **2.00m at 2.2g/t Au, 101.9g/t Ag, 0.5 % Pb and 2.4 % Zn (MSDD16, 82.00-84.00m)**

Hole locations are shown in Figure 1. More detailed assay data is listed in Table 1 below.

It is significant that these intersections are from new targeted structures adjacent to the already drill-tested Discovery Trend and Breccia Zone mineralisation. These additional promising results further expand the size and potential of the Au-Ag-Pb-Zn epithermal mineralization developed within the Mt Scotchty volcanic complex.

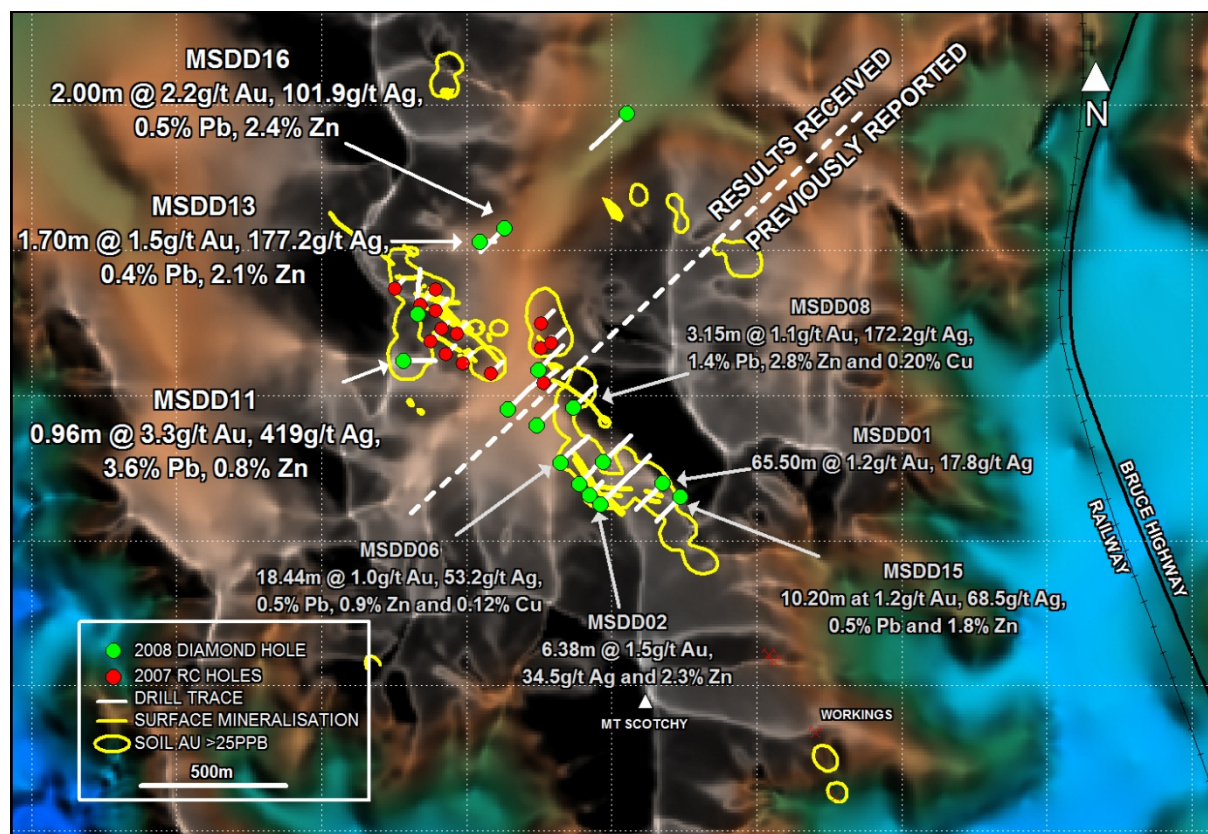


Figure 1: Mt Scotchty overview showing recently received (bold) and existing diamond drilling results

The remaining four holes all intersected sulphide-bearing zones, demonstrating the effectiveness of recent IP geophysical surveys, but only narrow widths with gold, silver and base metal values were returned, (see Table 1).

Table 1: Summary assay results for previously unreported holes

HOLE ID	FROM	TO	INT	Ag g/t	Agg/t	Cu %	Pb %	Zn %	As %	Other notes/summary observations
MSDD09	115.00	118.00	3.00	0.1	9.6	0.02	0.1	1.1	0.4	Altered sediment, minor stockwork veining
	146.20	146.80	0.60	1.5	41.4	0.41	0.1	0.3	4.9	Massive sulphide and carbonate vein
	172.00	172.70	0.70	0.2	11.0	0.07	0.0	4.4	0.3	Hi Zn interval in silicic volcanic
	172.70	173.30	0.60	1.3	124.0	0.49	0.6	0.2	0.8	Veining in altered volcanic
	179.50	180.80	1.30	1.0	24.2	0.03	0.1	0.2	0.4	Pyritic shear zone
	195.60	196.00	0.40	1.7	64.0	0.33	0.1	0.4	5.1	Pyrite/arsenopyrite breccia
MSDD10	-	-	-	-	-	-	-	-	-	No significant results
MSDD11	99.00	99.70	0.70	2.6	6.2	<0.01	<0.01	0.1	0.7	Brecciated siltstone with carbonate-pyrite infill
	146.44	147.40	0.96	3.3	419.0	0.05	3.6	0.8	0.3	Semi-massive sulphide carbonate breccia
MSDD12	93.00	96.00	3.00	0.7	17.2	0.01	0.2	0.5	0.2	Sulphidic quartz-carbonate breccia
	100.80	103.50	2.70	0.9	4.3	<0.01	<0.01	0.0	0.2	Bleached and weakly brecciated volcanic
	133.00	134.50	1.50	1.3	19.1	0.01	0.0	0.2	1.1	Sulphidic volcanic breccia
MSDD13	61.20	62.90	1.70	1.5	177.2	0.06	0.4	2.1	0.5	Sulphide-carbonate breccia.
MSDD14	202.60	203.15	0.55	0.1	37.5	0.35	0.2	2.1	0.0	Narrow sulphide veinlet
MSDD15	137.00	140.00	3.00	1.0	14.2	0.02	0.1	1.1	0.1	Altered mineralised epiclastic
MSDD16	79.00	80.00	1.00	1.4	6.3	0.01	<0.01	0.0	0.7	Brecciated epiclastic with sulphide veinlets
<i>and</i>	82.00	84.00	2.00	2.2	101.9	0.10	0.5	2.4	3.9	Brecciated epiclastic to fault breccia
<i>incl.</i>	82.00	83.00	1.00	3.4	177.0	0.17	0.6	3.0	6.3	1025ppm Sb

These results are further confirmation of the significance of the Mt Scotchby discovery, and its status as a high quality exploration project. Further analysis and interpretation is ongoing to understand this mineralizing event, and its setting within the Mt Scotchby volcanic complex, to guide future exploration.

A presentation on the Mt Scotchby results and outlook for next year will be given at the company's AGM to be held at 11:00am on Thursday 18 December at Level 39, 2 Park St, Sydney.

Competent Persons' Statement:

This information is based on results compiled by Patrick McDowall, a full-time employee of Gympie Eldorado Mining Pty Ltd. Mr McDowall is a Member of the Australian Institute of Geoscientists 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".

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