

20 December 2007

ASX ANNOUNCEMENT

**Great Gold Mines NL - Ellendale Resources NL
Merger via Schemes of Arrangement**

Great Gold Mines NL (**GNL**) (ASX:GNL) and Ellendale Resources NL (**Ellendale**) (ASX:ELL) today announced that further to the announcement on 22 November 2007, they have signed the Merger Implementation Agreement to implement the two Schemes of Arrangement (**Schemes**) under which GNL will acquire all of the fully paid ordinary share capital on issue and all of the issued options to acquire unissued ordinary shares in the capital of Ellendale.

Recommendation from Ellendale Directors

The Directors of Ellendale recommend that in the absence of a superior offer and subject to the conclusion of the Independent Expert that the relevant Scheme is in the best interests of, respectively, Ellendale Members and Ellendale Optionholders:

- (i) the Ellendale Board unanimously supports the Merger and recommends the approval of each of the Schemes; and
- (ii) each member of the Ellendale Board with a Relevant Interest in Ellendale Shares and Ellendale Listed Options intends to vote those shares and options in favour of each of the Schemes and in favour of any other resolutions submitted to Ellendale Members and Ellendale Option holders for their approval in connection with the Merger.

Recommendation from GNL Directors

The Directors of GNL unanimously supports the merger with Ellendale

About Great Gold Mines NL

Great Gold Mines NL (ASX:GNL) is an Australian gold and base metals explorer with strategic and significant tenement holdings covering over 3,000 square kilometres within the Southern Laverton Tectonic Zone in the Eastern Goldfields of Western Australia. GNL has a substantial iron ore project at Mt Bevan in Western Australia. GNL is listed on ASX.

About Ellendale Resources

Ellendale Resources NL (ASX:ELL) has acquired Northern Resources Pty Ltd, which owns the rights to the Clarke River uranium project, located 180 kilometres west of Townsville in northern Queensland. ELL is listed on ASX.