

23 December 2011

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

By E-Lodgement

Glory Resources Completes Sapes Gold Project Acquisition and Commences Trading

Glory Resources Limited (ASX: GLY) (**Glory** or the **Company**) is pleased to confirm that it has completed settlement with Cape Lambert Resources Limited (**Cape Lambert**) to finalise the purchase of 100% of the high grade Sapes Gold Project located in northeastern Greece. The Company advises that trading in the listed securities on the ASX will re-commence on Friday 23rd December 2011.

Glory received strong support during the fund raising to complete the acquisition of the Sapes Gold Project and has developed a very strong international shareholder register including Vancouver based Eldorado Gold Corporation (**Eldorado**), M & G Investments, Macquarie Bank – Metals and Energy Division, Gold 2000 fund, Resource Capital Fund and Cape Lambert. Glory's lead corporate advisor to the transaction was Grange Consulting and legal advisor was Gilbert + Tobin in Perth, Western Australia.

The Company will have a cash balance of approximately A\$11 M and is well positioned to pursue its strategy of advancing the Sapes environmental approval process and recommencing exploration drilling at the highly prospective and under-explored landholding licence area. The Company intends to focus on areas which have yielded high grade drill intersections in the past but have not been further explored in the last 10 years.

Greece Update

The Greek gold industry is in a development stage with TSX listed European Goldfields Limited receiving environmental approval for its projects in July 2011. This approval signalled the commencement of a new phase of mineral development in Greece and highlighted the opportunities for the high-grade Sapes Gold Project.

In November 2011 the Qatar Sovereign Wealth fund announced an investment of over US\$700m into European Goldfields and the development of a new gold project, an investment that was supported by the Greek Government.

In December 2011 Eldorado announced a C\$2.5billion offer for European Goldfields signalling its intention to becoming the dominant gold miner in the Aegean region. Eldorado has a proven track record of mine development and successful operations. Eldorado participated in the recent capital raising for Glory to acquire the Sapes Gold Project and holds a 19.9% interest in the Company. The high grade Sapes Gold Project is located only 15km from Eldorado's 100% owned 1.9Moz Perama Hill gold project.

BOARD

Jason Bontempo
Jeremy King
Bernard Aylward

COMPANY SECRETARY

Emma Wates

CORPORATE INFORMATION

Shares on issue	224.1m
Options on issue	26.5m
Cash	\$11m

REGISTERED OFFICE

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ASX CODE

GLY



The Preliminary Environmental Impact Study (**PEIS**) for the Sapes Gold Project has been submitted to the Greek Government authorities and is under review. Glory expects this process to be finalised in the first half of 2012.

Sapes Gold Project -- Overview

The Sapes Gold Project is a typical high-sulphidation epithermal gold deposit. It has a JORC Measured and Indicated Resource of 830koz @ 9.8g/t Au (Measured 647koz @ 8.9g/t Au and Indicated 183koz @ 14.9g/t Au) with identified JORC Proved and Probable Ore Reserve of 637koz @ 15.1g/t Au (Proved 23koz @3.5g/t Au and Probable 614koz @ 17.2g/t Au).

In accordance with the Sapes Gold Project Feasibility Study (last updated in 2010), the Company is targeting initial life of mine gold production of 510,000oz Au with total estimated capital expenditure of US\$100m and estimated operating costs of US\$297/oz over a seven year mine life.

Initially, the Company intends to drill along strike of the existing ore body as this area is considered to be highly prospective. The Company also intends to follow up on previously identified drill targets within the licence area.

The PEIS for Sapes has been lodged with the Greek authorities marking the first key step in permitting for gold production. The Feasibility Study envisions that the Sapes mine will produce gold via both gravity separation and by the production of a sulphide concentrate. Overall metallurgical recoveries of above 80% are expected. The current processing plant design does not use cyanide in the processing of ore and extraction of gold and is expected to have a low environmental impact.

For and on behalf of the Board

Jason Bontempo
Executive Director

For further information please contact:

Investors

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Competent person statement

The information in this release 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.