

LATEST DRILL RESULTS AT YANDAN GOLD DEPOSIT

- **Planning next phase to:**
 - **improve understanding of high grade**
 - **test for extension of the mineralisation**

Drummond Gold Limited (ASX:DGO) (Drummond or the Company) is pleased to advise final drilling results from the completed initial program into the East Hill discovery at the Yandan Gold Project.

Four diamond holes were drilled to determine grade continuity between previous drill sections defining a zone of east-west trending mineralisation. The results for all holes are listed in Table 1 below.

Results have confirmed continuity of the east-west trend of lower grade mineralisation with intersections of 13m at 5.91g/t gold, 12.3m at 2.25g/t gold, 4m at 3.94g/t gold and 4m at 12.82g/t gold which correspond to mineralised zones in adjacent holes.

High grade intersections, including 2m at 15.54g/t gold, 0.9m at 99.4g/t gold, 3m at 20.92g/t gold, 1.3m at 10.6g/t gold and 1m at 13.65g/t gold, are associated with a second, oblique zone of mineralisation associated with narrow laminated quartz veins that were intersected at a high angle to the core.

The high grade vein trend has not been previously tested by drilling. While three holes have been completed at an orientation favourable to test the high grade vein trend, the holes were not collared in locations that would intersect the primary zone of high grade veining.

A new geological and structural model for East Hill is being developed to aid in the planning of further drilling that will be designed to intersect the high grade zones at a more favourable orientation to determine three dimensional geometry of mineralisation and density of the high grade veining.

Drummond is earning a 51% interest in the Yandan gold project, comprising ML's 1095 and 1096 and EPM 8257, owned by Straits Gold Pty Ltd., a wholly owned subsidiary of Straits Resources Limited, by spending \$3 million over a period of up to three years.

Drummond is currently engaged in a \$1 million exploration program to define an economic orebody at East Hill, and expand the mineral Resources at Yandan.

Table 1. East Hill Significant Assay Results.

HOLE_ID	MGA EAST	MGA NORTH	AZIMUTH (MGA)	DIP	FROM	TO	WIDTH (m)	GRADE (g/t Au)
EHRCD001	497676.61	7644896.93	360	-60	215.4	216.4	2	15.54
					281	282	1	1.15
					287	291	4	1.02
					305.3	307.3	2	1.08
					314	316	2	1.38
EHRC002	497616.21	7644921.18	360	-60	134	135	1	4.40*
					170	171	1	1.81*
EHRCD003	497654.27	7644956.10	360	-65	24	26	2	1.07*
					198.20	199.50	1.30	3.95
					208.00	211.80	3.80	2.02
					223.00	225.00	2.00	9.96
					248.10	255.10	7.00	1.06
					266.10	269.10	3.00	2.36
					275.10	276.30	1.20	9.17
					290.10	292.00	1.90	48.12
				includes			0.90	99.40
					295.10	297.00	1.90	9.80
					302.00	315.00	13.00	5.91
				includes			3.00	20.92
					319.00	332.00	13.00	2.15
					339.00	344.00	5.00	1.35
EHRC004	497595.91	7644924.33	360	-60	144	146	2	2.58*
EHRCD005	497677.31	7644936.42	360	-60	126	130	4	2.69*
					177	178	1	6.68
					216	219.8	3.8	1.92
					237	239.7	2.7	1.80
EHRCD006	497595.99	7644918.17	360	-60	148	149	1	1.76

					179	180	1	1.31
					201	202	1	1.02
					225.2	226.5	1.2	1.78
					240	241	1	1.02
					253	254	1	1.09
					259	260.1	1.1	4.28
					276.7	278	1.3	10.6
					284	291	7	1.46
					307.9	320.2	12.3	2.25
					323	324	1	1.22
					327	331	4	3.94
					334.7	336	1.3	1.98
					341	342	1	13.65
					346	347	1	1.55
EHRCD007	497677.23	7644932.73	360	-60	191	194	3	2.39
					208.6	209.6	1	5.94
					296	304.5	8.5	1.14
					309	310	1	44.4
					313	317	4	12.82
				Includes			1	43.0
					334.1	335.8	1.7	4.21

* Denotes RC precollar intersection

YANDAN GOLD RESOURCES 30 JUNE 2009

Mine	Location	Estimated Gold Resource and Category									Total			cut-off
		measured			indicated			inferred						
		'000t	Au g/t	'000oz	'000t	Au g/t	'000oz	'000t	Au g/t	'000oz	'000t	Au g/t	'000oz	Au g/t
Yandan	Yandan							4,100	2.4	308	4,100	2.4	308	
Total								4,100	2.4	308	4,100	2.4	308	

The information in this report that relates to Mineral Resources is based on information supplied by Peter Storey, who is a member of the Australian Institute of Mining and Metallurgy. Mr Storey is a full time employee of Straits Resources Limited and has sufficient experience relevant to the style of mineralisation, 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 Mineral Resources and Ore Reserves". Mr Storey consents to the inclusion in the report of the matters based on their information in the form and context in which it appears.



The information in this report which relates to Exploration Results is based on information compiled by Mr. Erik Norum, who is a Member of the Australian Institute of Geoscientists and an employee of Drummond Gold Limited. Mr. Norum 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. Norum consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

For further information please contact:

Doug Grewar
Managing Director

About Drummond Gold

Drummond Gold Limited is a gold and base metals company focussed on growth through exploration success and acquisition with an early production strategy. The Company operates in the well-known Drummond Basin of Central Queensland around the former gold mining centre of Mt Coolon and at nearby Yandan where it is earning a majority interest. The Company is also pursuing the potential for early gold production by proposing the acquisition of the Maldon gold project in Victoria.