



DRUMMOND
DRUMMOND GOLD LIMITED

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6 May 2009

Company Announcements Office
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

Dear Sir

RE: Yandan Project Earn in Joint Venture – Waiver of Condition Precedent

Drummond Gold Limited (“Drummond” or “the Company”) refers to its previous announcements regarding its Agreement with Straits Gold Pty Ltd (“Straits”), a wholly owned subsidiary of Straits Resources Limited, to earn a 51% interest in the Yandan Project.

Under the terms of the conditions precedent in the Agreement, the Company was required to satisfy Straits that it had raised \$1.0 million by 31 March 2009 to enable it to proceed with the joint venture earn-in. The Company was granted an extension of time to meet this condition precedent by Straits.

Drummond Gold Limited is pleased to announce that Straits and the Company have jointly agreed to waive this term thereby satisfying all the condition precedents in the Agreement. Drummond will now begin its exploration programme at Yandan immediately with a focus on expanding the resources on the Mining Leases at the East Hill discovery and on the Exploration Permit for Minerals (EPM) lease.

Yours faithfully
DRUMMOND GOLD LIMITED

Mr. Doug Grewar
MANAGING DIRECTOR

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