



12 June 2007

Norseman Gold plc (“Norseman” or the “Company”)

Central Norseman Gold Mine Update

Norseman Gold plc, the AIM listed Australian gold production company, is pleased to announce that it has implemented an aggressive reorganisation programme at its recently acquired Central Norseman Gold Mine, Australia’s longest continually running gold operation. Additionally, the Company is in the process of compiling an updated resource statement, which is expected to be completed and released to the market within the next two weeks.

Production is currently sourced from two underground mines and processed through a carbon-in-leach processing plant with a capacity of approximately 700,000 tonnes per annum (‘tpa’). As part of its strategy to increase processing through the mill from the current rate of approximately 400,000 tpa to 600,000 tpa, the Company has initiated exploration programmes to identify a third mine at Norseman, which is focused on its portfolio of advanced exploration targets. Drilling will be undertaken by outside contractors so as not to detract from day to day operations. The Company will release the results of such drilling programmes to the market when they have been properly assessed and reviewed.

The Company has also been successful in recruiting and expects that it will have a full complement of miners by the third week of June 2007. It hopes to announce shortly the appointments of other key personnel including a chief geologist and senior mining engineer. Moreover, the mining fleet is being upgraded and early indications are that no delays in delivery are to be expected.

Additionally, discussions have commenced with potential gas providers to replace the Company’s existing diesel power generation method with gas power generation systems. This is expected to deliver significant cost benefits to Norseman. Furthermore, negotiations are in progress with the Company’s major suppliers with a view to achieving more favourable terms of trade than those achieved while the mine was in administration under the previous owners.

Going forward, it is the intention of the Company to release quarterly operating statements at the end of each July, October, January and April. Norseman currently expects that it will produce approximately 24,000 ounces of gold per quarter (circa 90,000-100,000 ounces of gold per annum) during the financial year ending 30 June 2008.

The final settlement of the acquisition of the Central Norseman Gold Mine from the administrators of Croesus Mining NL is scheduled to take place on 15 June 2007 when the overlapping creditor refunds are due from the administrator. The Company has been in control of the operations of the mine since 1 May 2007.

Norseman Executive Director David Steinepreis said, “Developments at Norseman are going extremely well and the reorganisation programme is on schedule to raise throughput in the mine and subsequently increase gold production. We are actively looking to increase the mines long-term potential and through exploration have already identified further areas to mine. These will be drilled as soon as possible. The release of the resource statement will hopefully indicate to investors the huge potential at Norseman, which should reward them for their investment.”

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