

 <p>Glass Earth Gold LIMITED</p>	<p>NEWS RELEASE</p>
<p>TSX-V: GEL NZAX: GEL</p>	<p>Level 2, 93 The Terrace Wellington, New Zealand +64 4 903 4980 www.glassearthlimited.com</p>

Wellington, New Zealand, August 29, 2011.

**FINANCIAL STATEMENTS and
MANAGEMENT'S DISCUSSION & ANALYSIS**
for the **Second Quarter Ended June 30, 2011**

Glass Earth Gold Limited (**TSXV-GEL; NZAX-GEL**) ("**Glass Earth**" or the "**Company**") announced today that it has filed its June 30, 2011 second quarter Financial Statements and associated Management's Discussion and Analysis ("**MD&A**") report pertaining to that period with regulatory authorities.

Glass Earth is a gold exploration company and therefore classified as being at the 'development stage', as it currently has modest mining income. With all general and administration expenses being expensed, Glass Earth records losses each quarter/year arising from the expensing of these cash operating costs as well as other non-cash expense items.

The Company has a net loss for the six months ending June 30, 2011 of \$323,000 vs \$866,000 for the similar period in 2010. The Company's cash position as at June 30, 2011 was \$2,486,000 compared to \$1,602,000 for the same date in 2010.

	Three months ended June 30 2011	Three months ended June 30 2010	Six months ended June 30 2011	Six months ended June 30 2010
Revenue	176,000	171,000	427,000	271,000
Cost of revenue	(116,000)	(75,000)	(238,000)	(169,000)
Gross Profit	60,000	96,000	189,000	102,000
Administrative and Personnel expenses	(346,000)	(211,000)	(549,000)	(417,000)
Write down of mineral properties	-	(574,000)	-	(574,000)
Results from operating activities	(286,000)	(689,000)	(360,000)	(889,000)
Finance income	24,000	16,000	37,000	23,000
Loss before Income Taxes	(262,000)	(673,000)	(323,000)	(866,000)
Income taxes	-	-	-	-
Net Loss for the period	(262,000)	(673,000)	(323,000)	(866,000)

Operational Activities

The Company has had an active and successful quarter as described in the Quarterly Overview and Near Term Outlook below.

Field operations concentrated on the testing of Glass Earth's two most advanced prospects **WKP** (35% Glass Earth / 65% Newmont Mining; Newmont managed) and **Muir's Reef** (100% Glass Earth) in the North Island. Encouraging assay results for drill holes WKP 28 and 29 were released August 26, 2011, with assay results awaited in respect of WKP 30.

In addition, further metallurgical testing on the Ophir Project (50% Glass Earth/50% Ophir Gold) gave very good recoveries based on gravity separation processes.

Expansion of alluvial/placer gold mining in the Central Otago region is a strong focus as current mining operations bed down.

About Glass Earth Gold Limited

Glass Earth is one of the largest New Zealand-based gold exploration companies exploring a land position of approximately 10,000 square kilometres in the North and South Islands.

In the **North Island**, exploration efforts are focused on large epithermal gold systems in the Hauraki/Central Volcanic Region. This Region is host to the 10 million ounce Martha Gold Mine, (Newmont Mining).

Hauraki Region – Glass Earth occupies a significant ground position around Newmont's currently active Waihi gold operations; The Newmont-Glass Earth **Waihi West JV** (Newmont earning 60%) and **Hauraki JV** (North and Central Areas - 65/35) are currently being explored and managed by Newmont. Exploration at the **WKP** gold prospect is ongoing following the very encouraging 2010 drilling results on that prospect.

Central Volcanic Region – Glass Earth has defined several significant epithermal gold targets in this region including the **Muir's Reef project** (Mamaku district).

In the **South Island**, exploration efforts are focused on the Otago Region for mesothermal "Macraes-style" gold targets and alluvial gold.

Otago Region – Field programmes to support the drilling of highly ranked **Game Hen** gold target is underway.

Placer/alluvial mining operations continue into the 2011 year, coupled with an acceleration of alluvial exploration and resource definition; Glass Earth / Dunstan Mining (placer mining 50/50 partner) anticipate a significant increase in gold output in 2011.

For additional information on the company, please contact:

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- **Jeanny So, Director of Operations, CHF Investor Relations, at +1 416 868 1079 x225 or jeanny@chfir.com;**
- **Visit the Company's website at www.glassearthgold.com.**

To receive Company news via email, contact jennie@chfir.com and mention "Glass Earth news" in the subject line.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) nor New Zealand Exchange Limited has reviewed this release and neither accepts responsibility for the adequacy or accuracy of this release.

GLASS EARTH GOLD LIMITED

for the three months ended 30 June 2011

QUARTERLY OVERVIEW

- **Exploration –WKP** gold prospect in Hauraki, New Zealand (Glass Earth 35%) Follow-up diamond drilling of the encouraging results from the 2010 diamond drilling at **WKP West** (WKP 28) continued and a new zone was discovered at **WKP South** (WKP 29).
 - ❖ **WKP 28**, intersected **49m @ 1.08 g/t Au and 3.32 g/t Ag**;
 - ❖ **WKP 29**, intersected **3.2 m @ 37.0 g/t Au and 17.0 g/t Ag**.

WKP 30, a 720m hole below WKP 29, has been completed and assays are awaited.
- **Ophir** gold prospect in Otago, New Zealand (Glass Earth 50%) – Metallurgical work on Ophir ore samples is encouraging, with between 82-85% of gold recovered in gravity separation processes. Additional work is being undertaken as a pre-requisite to a formal proposal for capex and mining for the consideration of the Joint Venture.
- **Mining Operations** - cash contribution from the Company's placer mining operation (including the lease of a Gold Recovery Unit #1) totaled \$90,000 for the three months ended June 30, 2011 (June 30, 2010 - \$96,000).
- **Financial results** - The net loss for the three months ended June 30, 2011 was \$262,000 (June 30, 2010 - \$673,000).

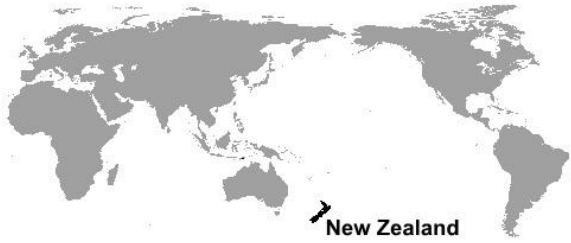
The Company's cash position as at June 30, 2011 was \$2,486,000.

NEAR TERM OUTLOOK

- **WKP South** – WKP30 drill hole - drilling assays awaited; additional step-out drilling planned.
- **Muirs** – Further trenching and drilling being undertaken.
- **Ophir** – Shallow drilling program to be undertaken and mining decision pending.
- **Placer production** – Mining commencement at **Drybread** in September with rebuilt Gold Recovery Unit #3. GRU#1 off lease and being reconfigured for mining at **Drybread** in Q4. GRU#2 continuing mining at **Gunclub**. Resource definition on several other prospects is continuing.



Glass Earth Gold
LIMITED



New Zealand

