

 <p>Glass Earth Gold LIMITED</p>	<p>NEWS RELEASE</p>
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Wellington, New Zealand, August 18, 2009.

GLASS EARTH GOLD SIGNS DEAL TO ALLOW HARD ROCK GOLD MINING THIS YEAR

Glass Earth Gold Limited (**TSX-V: GEL; NZAX: GEL**) ("**Glass Earth**") announces that it has entered into an option agreement to acquire a 50% equity interest in Exploration Permit 40 427 known as the Ophir prospect in Otago, New Zealand, with Ophir Gold Ltd, a private company.

Transaction

The proposal amalgamates together the land positions of the more advanced resource position of Ophir Gold's EP 40 427 with possible extensions of structures into Glass Earth's EP 40 870, and also provides for additional Glass Earth ground around both those permits.

The transaction is a farm-in by Glass Earth into EP 40 427 (which has existing near-surface gold mineralisation) on the following terms:

- a. Glass Earth to solely fund an evaluation study of a deposit within the Joint Venture Area (see attached map);
- b. Concurrently, Glass Earth will spend NZ\$250,000 (approximately C\$185,000) on the JV Area; then
- c. Subsequent to the JV being formed and making a Decision to Mine, Glass Earth would be responsible for the design, resource permitting and installation of suitable processing plant on the chosen mining site (including the initial funding thereof);
- d. Ophir Gold would reimburse Glass Earth for its 50% share of any plant acquisition costs out of 50% of its net profits from mining;
- e. Glass Earth contributes additional ground around Ophir Gold's EP 40 427 Permit. The joint venture, with Ophir Gold, will be shared 50:50. (see map).

The Project

The Ophir Project is a 640 ha area located in the heart of Central Otago reef gold country, two hours drive northwest of Dunedin. Numerous highly prospective mineralized reefs, as well as near-surface gold bearing gravels, contribute to the excellent potential of the overall Joint Venture Area.

Historic hard rock gold production (up to 1939) from the Ophir prospect was approximately 1,200 oz, won from 13,000 tonnes at an average grade of 3g/t. Native gold occurs as grains between 4mm and 10mm diameter in the Ophir prospect areas (including *Wai-iti*, *South Wai-iti* and *Air-strip*).

More recently, exploration work undertaken by Ophir Gold Ltd in 2005/06 has consisted of:

- Geologic mapping; soil sampling; rock chip and channel sampling; small pit excavations and a preliminary round of shallow drilling (Phase 1 – approximately C\$290,000);
- Magnetic surveys across the *Wai-iti* target; drilling of 11 RC Holes (661m total) and 4 diamond drill holes (192m) (Phase 2 – approximately C\$275,000)

Ophir Gold has previously published estimates of mineralisation and these are being re-evaluated by Glass Earth as part of the evaluation study underway.

The predominance of coarse gold raises difficulties in adequately testing such mineralisation via drilling. Glass Earth's preferred approach would be to tackle the appraisal for mining via bulk testing of several of the vein systems.

Objective

The evaluation study will examine the potential for open pit mining the near-surface oxidized ore zones and separating out the coarse gold by means of conventional crushing/grinding followed by a gravity separation process. Irrespective of the smallish scale of the initial mining approach, it may provide positive cash flow for Glass Earth, especially as gold prices remain high. The potential to replicate the mining on other pods of near-surface ore will be progressively evaluated going forward.

Qualified Persons

Glass Earth's exploration programmes are carried out under the supervision of Glass Earth's President and CEO, Simon Henderson, M.Sc, M.AUSIMM, F.SEG. Mr. Henderson meets the qualified person requirements (as defined by National Instrument 43-101) with more than 30 years of experience in the gold mining and exploration industry.

About Glass Earth Gold Limited

Glass Earth is one of the largest New Zealand-based gold exploration companies exploring a land position of over 17,000 km² in the North and South Islands. With its main office in Wellington, New Zealand, Glass Earth Gold Limited is listed on the TSX Venture Exchange (TSX.V: **GEL**) and the New Zealand Alternative Stock Exchange (NZAX: **GEL**).

For additional information on the company, please contact:

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

Neither 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.

