



**NEWS RELEASE**  
**TSX: ELD AMEX: EGO**

**ELD No. 05-04**  
**April 28, 2005**

**FIRST QUARTER 2005 FINANCIAL RESULTS**  
(all figures in United States dollars)

VANCOUVER, BC - Paul N. Wright, President and Chief Executive Officer of Eldorado Gold Corporation (“Eldorado”, the “Company” or “we”) is pleased to report on the financial and operational results of the Company for the 2005 first quarter ended March 31, 2005.

**First Quarter Highlights**

- Signed an agreement on April 7, 2005 to acquire 84% of the Vila Nova project in Amapa State, Brazil
- Net loss of \$8.96 million or \$0.03 per share
- Produced 14,311 ounces of gold at a cash cost of \$407 per ounce
- \$120.70 million in cash and short-term deposits
- Continued exploration in Brazil and Turkey
- Construction at Kisladag proceeding satisfactorily

**Financial Results**

The consolidated net loss for the first quarter 2005 was \$8.96 million or (\$0.03) per share, compared with a net loss of \$0.66 million or \$0.00 per share in the first quarter of 2004. The increased loss results from lower gold sales and higher operating costs at the São Bento mine, Brazil.

In the first quarter 2005, we sold 16,910 ounces of gold at an average realized selling price of \$428 per ounce. For comparison, in the first quarter of 2004, we sold 22,793 ounces of gold at an average realized price of \$394 per ounce, or \$408 per ounce excluding \$0.33 million in hedging loss amortization.

We continue to be in a strong financial position. At March 31, 2005, we held \$120.70 million in cash and short-term deposits. We have sufficient funds to construct and expand the Kisladag mine and continue to develop the Efemçukuru project in Turkey, carry out our planned 2005 exploration programs in Turkey and Brazil and pursue new opportunities in China and elsewhere.

On April 6, 2005, Tüprag Metal Madençilik (“Tüprag”), a wholly owned subsidiary of Eldorado, entered into a \$65.00 million Revolving Credit Facility with HSBC Bank USA (the “Credit Facility”). Eldorado has guaranteed the Credit Facility, which is fully secured by cash deposits (equivalent to the amounts advanced by HSBC Bank USA to Tüprag) to a cash collateral account over which HSBC Bank USA holds security. No hedging is required under this agreement.

Funds advanced under the Credit Facility will be used to construct the Kisladag mine. When the Kisladag mine achieves production Tüprag’s net earnings will be directed to repaying the Credit Facility and funds in the cash collateral account will be released to Eldorado in parallel with these repayments. The Credit Facility will finance construction at the Kisladag mine in the most efficient manner.

## **Operating Performance**

In the first quarter of 2005, we produced 14,311 ounces of gold at the São Bento mine at a cash cost of \$407 per ounce, compared to 21,158 ounces of gold at a cash cost of \$276 per ounce in the first quarter of 2004. Production was lower as we prioritized shaft deepening activities while deferring stope production. The shaft deepening project is scheduled for completion in the third quarter 2005. Cash costs have increased due to the challenging work conditions caused by the high level of waste handling required by the shaft deepening project and the appreciation of the Brazilian currency. We are forecasting 2005 production of 72,000 ounces at our São Bento mine, at a cash cost of \$320 per ounce.

## **Development**

### *Kisladag*

Construction activities proceeded well during the first quarter despite exceptionally high seasonal rainfall which delayed leach pad construction in the quarter. Work activities included process water line installation, power line installation, leach pad and earthworks, bypass and access road construction as well as initiating development within the pit with the mining contractor. Eldorado's on-site management team continues to be built in an orderly manner to ensure an efficient transition to an operating mine at year end.

We continue to work towards construction completion in the fourth quarter with commissioning leading to start up as planned by year end.

The Company is experiencing higher than planned construction costs due principally to a continued strengthening of the Turkish Lira 1.3 million Turkish Lira/\$ ("MTL/\$") compared with 1.5 MTL/\$ planned. In May the Company will be providing an updated forecast cost of completion accompanied by an updated projection of operating costs.

### *Efemçukuru*

As part of the Environmental Impact Assessment ("EIA") process for the Efemçukuru project, the Turkish Ministry of Forestry and Environment held its public meeting in Efemçukuru Village to obtain input from the local community regarding the Company's planned mine development. Subsequent to this meeting and incorporating contributions from the meeting, the Company is finalizing its EIA Study which will be submitted to the Ministry in May 2005.

## **Exploration**

We continue to focus our exploration activities on Brazil and Turkey, completing detailed mapping, sampling and initial drill programs at various sites in these two countries.

### *Brazil*

On April 7, 2005, we signed an agreement to acquire 84% of the Vila Nova project, where we believe there is excellent potential for both additional oxide mineralization and a structurally controlled banded iron formation hosted deposit. Under the terms of the agreement, we will spend a minimum of \$200,000 in exploration before March 20, 2006 and pay \$5.2 million in a series of payments over a three-year period. We have budgeted \$1.8 million in exploration expense for this project in 2005, and are immediately embarking on a work program consisting of mapping and channel sampling. We will also continue our exploration work at Cassipore and Tartarugalzinho.

### *Turkey*

We drilled six reverse circulation holes at Toplak Tepe in Turkey's Western Pontide belt to test a gold and base metal anomaly. All of the holes show anomalous copper, lead, and zinc values and the current interpretation is that Toplak Tepe may represent the periphery of a gold bearing volcanogenic massive sulfide system. We are considering a geophysical program (EM or IP) prior to conducting more drilling. We also drilled five holes at Keditasi in Western Turkey, targeting a gold soil geochemistry anomaly and an area of pervasive silification.

Generally, the holes have yielded only low grade gold values. At the AS Project (Demir Joint Venture) we began bulldozer work on a road that will provide access for mapping, sampling and diamond drilling. In the months ahead, we will focus on diamond drilling on the AS project and the Koyulhisar project in the Western Pontides.

### **Corporate Development**

“We have high expectations for the potential of the Vila Nova project, which we believe will be a tremendous addition to our asset base,” said Paul Wright, President and Chief Executive Officer. “We’re also pleased with the progress being made at Kisladag which should be commissioned by year-end and at Efemçukuru, where we plan to submit our EIA study in May.”

Eldorado is a gold producing and exploration company actively growing businesses in Brazil, Turkey and China. With our international expertise in mining, finance and project development, together with highly skilled and dedicated staff, we believe that Eldorado is well positioned to grow in value as we create and pursue new opportunities.

### **ON BEHALF OF ELDORADO GOLD CORPORATION**

**“Paul N. Wright”**

Paul N. Wright  
President and Chief Executive Officer

*Certain of the statements made may contain forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, which involve known and unknown risk, uncertainties and other factors which may cause the actual results, performance or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Forward-looking statements are subject to a variety of risks and uncertainties, which could cause actual events, or results to differ from those reflected in the forward-looking statements. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward looking statements. Specific reference is made to “Narrative Description of the Business – Risk Factors” in the Company’s Annual Information Form, Form 40-F drafted March 30, 2005. Forward-looking statements in this release include statements regarding the expectations and beliefs of management. Such factors included, amongst others the following: gold price volatility; impact of any hedging activities, including margin limits and margin calls; discrepancies between actual and estimated production, between actual and estimated reserves, and between actual and estimated metallurgical recoveries; mining operational risk; regulatory restrictions, including environmental regulatory restrictions and liability; risks of sovereign investment; speculative nature of gold exploration; dilution; competition; loss of key employees; additional funding requirements; and defective title to mineral claims or property, as well as those factors discussed in the section entitled “Business - Risk Factors” in the Company’s Annual Information Form, Form 40F dated March 30, 2005. We do not expect to update forward-looking statements continually as conditions change and you are referred to the full discussion of the Company’s business contained in the Company’s reports filed with the securities regulatory authorities.*

Eldorado Gold Corporation’s shares trade on the Toronto Stock Exchange (TSX: ELD) and the American Stock Exchange (AMEX: EGO). The TSX has neither approved nor disapproved the form or content of this release.

### **Contact:**

Nancy E. Woo, Manager Investor Relations  
Phone: 604.601.6650 or 1.888.353.8166  
Fax: 604.687.4026

Email [nancyw@eldoradogold.com](mailto:nancyw@eldoradogold.com)

Request for information packages: [info@eldoradogold.com](mailto:info@eldoradogold.com)

Eldorado Gold Corporation

1188, 550 Burrard Street

Vancouver, BC V6C 2B5

Web site: [www.eldoradogold.com](http://www.eldoradogold.com)

**Eldorado Gold Corporation**  
**Consolidated Balance Sheets**  
**(Expressed in thousands of U.S. dollars)**

March 31,                      December 31,  
2005                                      2004

(Unaudited)

**ASSETS**

Current Assets

Cash and cash equivalents	\$	120,703	\$	135,390
Accounts and other receivables		7,925		8,705
Inventories		5,875		5,927
		<u>134,503</u>		<u>150,022</u>

Property, plant and equipment		62,718		52,337
Mineral properties and deferred development		22,818		22,676
Investments and advances		562		1,224
	\$	<u>220,601</u>	\$	<u>226,259</u>

**LIABILITIES**

Current Liabilities

Accounts payable and accrued liabilities	\$	7,467	\$	6,005
		<u>7,467</u>		<u>6,005</u>

Asset retirement obligation		8,180		8,059
Contractual severance obligation		742		636
Future income taxes		4,499		4,598
		<u>20,888</u>		<u>19,298</u>

**SHAREHOLDERS' EQUITY**

Share capital (Note 3)		509,405		508,373
Contributed surplus		1,094		1,094
Stock based compensation		5,815		5,138
Deficit		(316,601)		(307,644)
		<u>199,713</u>		<u>206,961</u>
	\$	<u>220,601</u>	\$	<u>226,259</u>

Commitments and Contingencies (Note 4)

Subsequent Events (Note 7)

Approved by the Board

Approved by the Board

Director

Director

# Eldorado Gold Corporation

## Consolidated Statements of Operations and Deficit

(Expressed in thousands of U.S. dollars except per share amounts)

	Three months ended	
	March 31, 2005	March 31, 2004
	(Unaudited)	(Unaudited)
<b>Revenue</b>		
Gold sales	\$ 7,234	\$ 8,973
Interest and other income	648	967
	<u>7,882</u>	<u>9,940</u>
<b>Expenses</b>		
Operating costs	7,982	6,265
Depletion, depreciation and amortization	2,515	1,059
General and administrative	2,457	1,245
Exploration expense	1,154	927
Stock based compensation expense	1,364	3,316
Accretion of asset retirement obligation	121	107
Gain on disposal of investments and advances	-	(37)
Writedown of investments and advances	662	-
Foreign exchange loss	608	236
	<u>16,863</u>	<u>13,118</u>
<b>Loss before income taxes</b>	<u>(8,981)</u>	<u>(3,178)</u>
Tax recovery (expense)		
Current	(72)	1,845
Future	96	670
<b>Net loss for the period</b>	<u>(8,957)</u>	<u>(663)</u>
Deficit at the beginning of the period:	(307,644)	(293,702)
Deficit at the end of the period	<u>(316,601)</u>	<u>(294,365)</u>
<b>Weighted average number of shares outstanding</b>	<u>276,336,250</u>	<u>254,236,824</u>
<b>Basic and Diluted loss per share - U.S.\$</b>	<u>(0.03)</u>	<u>-</u>
<b>Basic and Diluted loss per share - CDN.\$</b>	<u>(0.04)</u>	<u>-</u>

**Eldorado Gold Corporation**  
**Consolidated Statements of Cash Flows**  
**(Expressed in thousands of U.S. dollars)**

Three months ended  
March 31,                      March 31,  
2005                              2004

	(Unaudited)	(Unaudited)
<b>Cash flows from (used in) operating activities</b>		
Net loss for the period	\$ (8,957)	\$ (663)
Items not affecting cash		
Depletion, depreciation and amortization	2,515	1,059
Future income taxes	(96)	(670)
Interest and financing costs	-	-
Writedown of investments and advances	662	-
Amortization of hedging loss	-	329
Stock based compensation expense	1,364	3,316
Contractual severance expense	106	80
Accretion of asset retirement obligation	121	107
Foreign exchange loss	795	516
	<u>(3,490)</u>	<u>4,074</u>
(Increase) decrease in accounts receivable	780	(769)
(Increase) decrease in inventories	52	427
(Decrease) increase in accounts payable and accrued liabilities	1,462	(2,167)
	<u>(1,196)</u>	<u>1,565</u>
<b>Cash flow from investing activities</b>		
Property, plant and equipment	(12,896)	(2,979)
Mineral properties and deferred development	(142)	(10,394)
Investments and advances	-	(35)
Proceeds from disposals of investments and advances	-	69
	<u>(13,038)</u>	<u>(13,339)</u>
<b>Cash flow from financing activities</b>		
Issue of common shares:		
Voting - for cash	345	450
	<u>345</u>	<u>450</u>
Foreign exchange loss on cash held in foreign currency	(798)	(511)
<b>Net decrease in cash and cash equivalents</b>	<u>(14,687)</u>	<u>(11,835)</u>
Cash and cash equivalents at beginning of the period	<u>135,390</u>	<u>105,465</u>
<b>Cash and cash equivalents at end of the period</b>	<u>\$ 120,703</u>	<u>\$ 93,630</u>

