



LIHIR GOLD LIMITED
Incorporated in Papua New Guinea
ARBN 069 803 998

Stock market codes:
ASX – LHG
NASDAQ – LIHR
POMSoX – LHG

23 April 2007

LIHIR GOLD SHARE ISSUE RAISES A\$972 MILLION

Lihir Gold Limited (LGL) has successfully completed the Institutional Entitlement Offer and Placement components of its major financial restructure, raising A\$972 million in new funds.

The Institutional Entitlement Offer component raised A\$852 million at the Offer Price of \$2.30 per share and the Placement raised A\$120 million.

A large proportion of LGL's eligible institutional shareholders took up their entitlements in the Institutional Entitlement Offer, highlighting their support for the company's decision to close out the gold hedge book and repay the gold loan and other secured debt.

A Bookbuild was carried out for the sale of approximately 43 million Placement shares, plus shares equivalent to the number of Entitlements not taken up in the Institutional Entitlement Offer. The Bookbuild was significantly oversubscribed, with strong interest shown from both Australian and offshore institutional investors. The Bookbuild resulted in a final clearing price of \$2.80 per share, which was \$0.50 above the Offer Price.

Institutional shareholders who did not, or could not, take up all or part of their entitlement under the Institutional Entitlement Offer will receive \$0.50 for each entitlement not taken up.

LGL Managing Director Arthur Hood said the strong response to both the Institutional Entitlement Offer and the Bookbuild showed widespread support for LGL and its strategic direction.

"Investors have endorsed our decision to increase both the company's leverage to the gold price and its financial flexibility. The funds provided by institutional investors will be used to close out the gold hedge book and repay our gold loan and other secured debt," he said.

"This is a great result for the company and builds a strong platform for the future."

Trading in Lihir Gold Ltd fully paid ordinary shares is expected to resume on the Australian Stock Exchange at 10.00am today.

The new shares issued under the Institutional Entitlement Offer, Institutional Bookbuild and Placement are expected to commence trading on ASX (on a normal settlement basis) on 27 April 2007.

Retail Entitlement Offer

Eligible retail shareholders will be invited to participate in the Retail Entitlement Offer which will open today, Monday 23 April 2007, and is expected to close at 5.00 pm Sydney time on Friday 11 May 2007.

The Retail Entitlement Offer, if fully subscribed, is expected to raise approximately \$218 million through the issue of approximately 95 million new shares at the Offer Price of \$2.30 each, the same price offered in the Institutional Entitlement Offer.

The Retail Entitlement Offer is being undertaken pursuant to a prospectus lodged with the Australian Securities and Investment Commission (ASIC) today. The prospectus will be sent to eligible retail shareholders on the LGL register as at 7.00pm (Sydney time) on the Record Date (Friday, 20 April 2007) with registered addresses in Australia, PNG or New Zealand.

Shares, equivalent in number to those not taken up in the Retail Entitlement Offer, will be sold through the Retail Bookbuild, expected to take place on Thursday 17 May 2007. Any positive difference between the clearing price of the Retail Bookbuild and the Offer Price will be paid to retail shareholders who did not, or could not, participate in the Retail Entitlement Offer.

The Retail Entitlement Offer and the Retail Bookbuild are not underwritten and therefore the actual proceeds raised may be less than the maximum stated above.

Enquiries about the Retail Entitlement Offer should be made to the
Lihir Gold Capital Raising Information Line
1300 368 959 (from within Australia) or +61 3 9415 4618 (from outside Australia).

FOR FURTHER INFORMATION

Please contact:

Joe Dowling
General Manager Corporate Affairs
Lihir Gold Limited
Ph: +61 7 3318 3308 Mobile: 0421 587 755
Joe.Dowling@lihir.com.pg

Joel Forwood
Manager Investor Relations
Lihir Gold Ltd
Ph: +61 7 3318 3331 Mobile: 0438 576 879

NOT FOR RELEASE IN THE UNITED STATES

Neither the Entitlements nor the Shares have been registered under the U.S. Securities Act of 1933, as amended, or any U.S. state or other securities laws. The Entitlements and the Shares may not be offered, sold or otherwise transferred except (1) in compliance with the registration requirements of the Securities Act and any other applicable securities laws or (2) pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any other applicable securities laws.