

## **Grandview Gold Inc. CEO Issues Biannual Update to Shareholders**

**December 11, 2008 – Toronto, Ontario – Grandview Gold Inc. (TSX Symbol: GVX, OTC-BB Symbol: GVGDF)** (“Grandview” or the “Company”) is pleased to announce that Mr. Paul Sarjeant, B.Sc., P.Geo, President and Chief Executive Officer of Grandview Gold Inc. has issued his biannual update to shareholders. Grandview management and the board of directors join Mr. Sarjeant in communicating the unedited contents of that letter below:

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December 11, 2008

Dear Shareholders:

Six months have passed since my last update, and while the flow of news may have slowed to the pace of the markets, these past months have been eventful ones for your company.

My focus as most of you know, remains on the company’s long story. I believe in that long story. The short story has been very disconcerting to be sure and we’ve seen our share price along with most junior exploration groups drop dramatically. The collective thinking of the business community seems to be that, until North American political environments settle and the path to world economic recovery is laid out, the day-to-day short story and corresponding direction of the markets remain uncertain. What we do know absolutely is that history repeats itself; lows become highs, and markets recede and advance. What we don’t know is when, so we remain singularly focused on those things we know well – ‘gold’ and ‘opportunity’.

We face challenges, but history tells us that challenging times create remarkable opportunity. For those who are willing to listen and position their companies to advantage those opportunities, the focus is further – beyond today, beyond today’s news, beyond today’s share price. While we must narrow our focus inwardly, we cannot let our outward focus broaden to the will of the markets; to become reactive versus proactive. To do so would risk unwise spending and distraction, and that would be a disservice to our shareholders.

Our fundamental strategies are sound and demonstrable, but like so many juniors we were hit very hard. As tempted as we were to counter under-evaluation with promotion to set the record straight, we instinctively knew that no amount of telling or expenditure could compete with the wholesale, irrational will of the markets. So instead we focused more narrowly, on conservation, and on the discovery and creation of opportunity.

Inasmuch as this irrational market offers unprecedented opportunities for resource investors to average down or buy shares of fundamentally sound, undervalued juniors at historic low prices, so too does it afford juniors the opportunity to explore, consider and engage in acquisition or joint venture opportunities that were inconceivable not six months ago. Unfortunately some juniors won't survive this market turmoil, and that creates opportunity for opportunity-focused companies. We believe in opportunity, we believe in the continued strength of hard assets during turbulent times, and we believe that now is the time to be looking.

The resource market tells us to stay the course. While our market cap has not kept pace with gold, gold is still outpacing the market. China and India, the two fastest growing and most populous nations in the world are projecting growth rates of 4-6% and China's \$540 billion stimulus package bodes well for the country's middle class and their continued demand for gold.

Year-to-date, in the face of enormous turmoil and huge fluctuations in the markets, gold is the only resource that has held its value. At the time of writing, gold had closed at 809.20 USD per ounce, up 30 cents on its year ago price of \$808.90 USD per ounce. All other widely-traded resource unit prices are way down on the year – including silver (-30%), platinum (-43%), palladium (-48%), copper (-51%), nickel (-64%), zinc (-52%), uranium (-42%) oil (-51%), and even natural gas (-19%).

Gold has maintained its market-leading strength in the face of some of the most trying times the contemporary market has seen. This is the long story on which we focus as we position our company to best advantage opportunities presented to us and to present ourselves as a valuable partner to producing gold companies looking for highly prospective partners in major gold camps.

Our fundamental strategies are strong. Market swings don't change the intrinsic and potential value of our gold properties, or the fact that those properties are located in some of the richest gold districts in the world. Logic tells us that we should defend our gross undervaluation and weight our market cap relative to contemporaries in our sector, or to juniors as a whole. But as equities across the boards were hit hard by the irrationality of the market, logic and rational thinking therefore, do not figure prominently.

Our Red Lake portfolio is headlined by well-positioned properties in the company of demonstrable economic viability. Not four kilometers northwest of our Sanshaw-Bonanza property sits the Bruce Channel discovery that Goldcorp recently acquired from Gold Eagle for USD \$1.5 billion. Contiguous to the east of our Sanshaw-Bonanza property sits the Goldcorp/Premier Gold Rahill-Bonanza property.

We maintain our thinking that the southwest extension of the Rahill-Bonanza CP-Zones (Follansbee Zones) may extend onto our ground. We earned our 60% interest by expending CAD \$500,000, plus options payments, and shares.

Due east of Sanshaw, sharing its northern border with Goldcorp, sits our highly prospective but under-explored Loisan property. Southeast of both sits our 64% earned-in Dixie Lake project, which last season revealed a third gold system and assays as high as 163 g/T Au and garnered the attention of new retail and institutional investors.

The recently completed private placement will permit us to carry out a focused exploration program at our Dixie Lake Property, with the intent to drill the promising NS Zone and other un-tested targets, and re-evaluate the resource estimate on the 88-4 and 88-4 West Zones. See the [press release](#) dated December 5, 2008 for further details of the Dixie Lake program. We hope to return to Sanshaw-Bonanza to test historical geophysical anomalies and structural zones under the ice and re-drill those targets not completed earlier this year

Across the Manitoba border from Red Lake, the Archean greenstone belt continues as the Rice Lake Gold District, where we have 80% ownership of +8,000 hectares near San Gold's (SGR: TSX-V) 1.7M oz Au Rice Lake Mine. San Gold now has two operating mines and is one of the strongest emerging gold production stories.

Also this season we continued earning toward a 50% interest in the GEM Property and acquired additional land in the Rice Lake belt. We have exciting grassroots projects on trend between the past-producing Gunnar and Diana Mines in an area of 20+ gold showings and we hope to continue assessment of targets developed during first pass surface mapping and sampling this summer. We will also seek new opportunities that we believe will surface under the present market conditions.

So, in the face of this turmoil and uncertainty, be assured that intrinsically we are still the company you invested in, namely an outstanding junior gold company with strong fundamentals, sound management and a stellar board of directors. We have excellent properties in major gold districts and expectations of a promising future. We have a plan in place to conserve financial resources and continue to explore as the markets and consumer confidence recover from this, what we anticipate is a significant but temporary set back.

Specifically, we remain focused on those areas of the world that are of greatest interest to institutional investors and managers, namely Red Lake and Rice Lake, and where institutional and individual investors can benefit from the tax incentives associated with flow-thru dollar investing. In light of this difficult time and the irrational market behavior that accompanies it, it is most definitely in the best interest of our shareholders to follow this Canada-focused path in the near term.

I conclude by offering my thanks for your patience and confidence in Grandview Gold. I remain firm in my commitment to uphold the company's standards of excellence at all levels and to weigh each decision with your best interests in mind.

Yours very truly,  
Paul Sarjeant, B.Sc., P.Geo  
President and CEO, Grandview Gold Inc.

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The full text of the Update can be found on the Grandview Gold Inc website at [http://grandviewgold.com/Media\\_Centre/Company\\_News/?nid=99](http://grandviewgold.com/Media_Centre/Company_News/?nid=99)

Grandview Gold Inc is a gold exploration company focused on creating value for shareholders by applying advanced geology, geochemical and geophysical science to reduce exploration and development costs at numerous high-grade gold properties in major gold camps of North America. Details of Grandview Gold's projects are available on the Company's website at [www.grandviewgold.com](http://www.grandviewgold.com).

For further information, please contact Paul Sarjeant at 416.486.3444 #113 or visit <http://www.grandviewgold.com>

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