

## REVISED SERVICE CONTRACT FOR MANAGING DIRECTOR

Gindalbie Metals (ASX:GBG) advises that it has agreed revised terms with Mr Tim Netscher for his service contract following his appointment as Managing Director and Chief Executive Officer earlier this year.

The Board and management are currently undertaking a review of the Company's short term and long term incentive schemes to better align with market practice, to ensure greater ownership in the Company, and to take into account legislative changes to employee equity participation schemes in Australia. In light of this review Mr Netscher has decided to forgo his entitlement to Employee Options as previously outlined in the announcement of his appointment on March 16, 2011. Mr Netscher will be an eligible participant in any revised programs established by the Board, subject to any necessary shareholder approvals.

Separately Mr Netscher has been granted a \$50,000 salary increase and the maximum potential short term bonus percentage that he can earn has been increased to 25%. The current revised key terms of his service contract are outlined below.

### Remuneration salary and superannuation

\$1,050,000 per annum

### Bonus Payment

Each year the Board has the discretion to pay a short term bonus to the Managing Director of up to 25% of salary.

### Other key terms

- Fixed 2 year contract (from the end of April, 2011)
- 1 months notice of termination by the Company subject to payment of any outstanding remuneration for the balance of the contract term

### ENDS

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