

SECURITIES EXCHANGE ANNOUNCEMENT

21 December 2017



VARIATION TO CHIEF EXECUTIVE OFFICER'S TERMS OF EMPLOYMENT AND UPDATE ON CONTINGENT LIABILITIES

Chief Executive Officer's terms of employment

Gindalbie Metals Limited (ASX: GBG – "Gindalbie") announces that the employment contract of the Chief Executive Officer, Mr Chris Stevens, has been varied to remove the two (2) year term expiring on 23 May 2018; the employment agreement now provides for termination by either party with three (3) months' notice in accordance with the existing Agreement. All other material terms of the Chief Executive Officer's employment contract remain unchanged.

Contingent Liability Update

Gindalbie wishes to advise that a parent company performance guarantee provided to a supplier of Karara Mining Limited ("KML") for A\$20million, has matured.

Separately, and as disclosed in Gindalbie's September 2017 Quarterly Report, a US\$300m Fixed Term Loan Facility is scheduled to mature in April 2018. As an update, the bank guarantees provided to suppliers of KML in place after the rollover of the US\$300m Fixed Term Loan Facility equate to a maximum of A\$216m (subject to exchange rate fluctuations). Gindalbie continues to actively work towards the reduction of contingent liabilities relating to KML.

ENDS

On behalf of:

Mr Keith Jones

Chairman

Ms Rebecca Moylan

Company Secretary

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