

## Appendix 3B

### New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

Gindalbie Metals Ltd

ABN

24 060 857 614

We (the entity) give ASX the following information.

#### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |  |                 |
|---|--|-----------------|
| 1 | +Class of +securities issued or to be issued   | Ordinary Shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued  | 111,922,105     |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Ordinary shares |

+ See chapter 19 for defined terms.

For personal use only

**Appendix 3B**  
**New issue announcement**

For personal use only

4 Do the <sup>+</sup>securities rank equally in all respects from the date of allotment with an existing <sup>+</sup>class of quoted <sup>+</sup>securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

Yes

5 Issue price or consideration

67cents each

6 Purpose of the issue  
 (If issued as consideration for the acquisition of assets, clearly identify those assets)

Placement agreement to issue shares to Angang Group Hong Kong (Holdings) Limited approved by shareholders at a general meeting on 9 September 2011. Funding to support the development of the Karara Iron Ore Project.

7 Dates of entering <sup>+</sup>securities into uncertificated holdings or despatch of certificates

15 December 2011

Number	<sup>+</sup> Class
1,247,487,454	Ordinary

Number	<sup>+</sup> Class
--------	--------------------

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

9	Number and <sup>+</sup> class of all <sup>+</sup> securities not quoted on ASX (including the securities in clause 2 if applicable)	600,000	Employee options exercisable at \$1.2875 and expiring on 1 August 2012
		600,000	Employee options exercisable at \$0.9175 and expiring on 1 August 2012
		400,000	Employee options exercisable at \$1.2875 and expiring on 1 August 2012
		200,000	Employee options exercisable at \$0.9175 and expiring on 1 August 2012
		350,000	Employee options exercisable at \$0.9175 and expiring on 1 August 2012
		100,000	Employee options exercisable at \$1.8175 and expiring on 3 September 2013
		100,000	Employee options exercisable at \$1.8175 and expiring on 30 September 2013
		350,000	Employee options exercisable at \$0.9175 and expiring on 1 August 2012
		100,000	Employee options exercisable at \$1.8175, expiring on 20 September 2013
		250,000	Karara Mining Limited ( <b>KML</b> ) options exercisable \$1.1175 and expiring on 8 October 2015
		250,000	KML options exercisable at \$1.1175, vesting no later than 31 December 2011 (conditional upon Karara Iron Ore Project milestones) and expiring on 8 October 2015
		250,000	KML options exercisable at \$1.1175, vesting no later than 28 February 2012 (conditional upon Karara Iron Ore Project milestones) and expiring on 8 October 2015
		250,000	KML options exercisable at \$1.1175, vesting no later than 31 March 2012 (conditional upon Karara Iron Ore Project milestones) and expiring on 8 October 2015
		800,000	Employee options exercisable at \$1.1675, vesting no later than 30 April 2012 (conditional upon Karara Iron Ore (magnetite) Project milestones) and expiring on 9 May 2016
		300,000	Employee options exercisable at \$1.1675, vesting no later than 30 June 2012 (conditional upon share price performance milestones) and expiring on 9 May 2016
		300,000	Employee options exercisable at \$1.1675, vesting no later than 30 June 2012 (conditional upon Gindalbie DSO project milestones) and expiring on 9 May 2016
		600,000	Employee options exercisable at \$1.1675, vesting no later than 30 June 2013 (conditional upon share price performance milestones) and expiring on 9 May 2016
		250,000	KML options exercisable at \$1.1175, vesting no later than 31 December 2011 (conditional upon Karara Iron Ore Project milestones) and expiring on 8 October 2015
		250,000	KML options exercisable at \$1.1175, vesting no later than 28 February 2012 (conditional upon Karara Iron Ore Project milestones) and expiring on 8 October 2015
		250,000	KML options exercisable at \$1.1175, vesting no later than 31 March 2012 (conditional upon Karara Iron Ore Project milestones) and expiring on 8 October 2015
		500,000	KML options exercisable at \$1.1175, vesting no later than 29 February 2012 (conditional upon Karara Iron Ore Project milestones) and expiring on 8 October 2015
		250,000	KML options exercisable at \$1.1175, vesting no later than 30 April 2012 (conditional upon Karara Iron Ore Project milestones) and expiring on 8 October 2015
		250,000	KML options exercisable at \$1.1175, vesting no later than 31 May 2012 (conditional upon Karara Iron Ore Project milestones) and expiring on 8 October 2015

+ See chapter 19 for defined terms.

For personal use only

**Appendix 3B**  
**New issue announcement**

400,000	Employee options exercisable at \$1.1675, vesting no later than 30 April 2012 (conditional upon Karara Iron Ore Project milestones) and expiring on 9 May 2016
300,000	Employee options exercisable at \$1.1675, vesting no later than 30 June 2012 (conditional upon share price performance milestones) and expiring on 9 May 2016
300,000	Employee options exercisable at \$1.1675, vesting no later than 30 June 2013 (conditional upon share price performance milestones) and expiring on 9 May 2016

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)

**Part 2 - Bonus issue or pro rata issue**

11 Is security holder approval required?

12 Is the issue renounceable or non-renounceable?

13 Ratio in which the +securities will be offered

14 +Class of +securities to which the offer relates

15 +Record date to determine entitlements

16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?

17 Policy for deciding entitlements in relation to fractions

18 Names of countries in which the entity has +security holders who will not be sent new issue documents

Note: Security holders must be told how their entitlements are to be dealt with.

Cross reference: rule 7.7.

19 Closing date for receipt of acceptances or renunciations

+ See chapter 19 for defined terms.

For personal use only

20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of <sup>+</sup> security holders	
25	If the issue is contingent on <sup>+</sup> security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do <sup>+</sup> security holders sell their entitlements <i>in full</i> through a broker?	
31	How do <sup>+</sup> security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	
32	How do <sup>+</sup> security holders dispose of their entitlements (except by sale through a broker)?	
33	<sup>+</sup> Despatch date	

+ See chapter 19 for defined terms.

For personal use only

**Appendix 3B**  
**New issue announcement**

---

**Part 3 - Quotation of securities**

*You need only complete this section if you are applying for quotation of securities*

34 Type of securities  
(tick one)

(a)  Securities described in Part 1

(b)  All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

**Entities that have ticked box 34(a)**

**Additional securities forming a new class of securities**

*Tick to indicate you are providing the information or documents*

35  If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36  If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories  
1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over

37  A copy of any trust deed for the additional +securities

**Entities that have ticked box 34(b)**

38 Number of securities for which +quotation is sought

39 Class of +securities for which quotation is sought

---

+ See chapter 19 for defined terms.

For personal use only

For personal use only

40	<p>Do the <sup>+</sup>securities rank equally in all respects from the date of allotment with an existing <sup>+</sup>class of quoted <sup>+</sup>securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	
----	---	--

41	<p>Reason for request for quotation now</p> <p>Example: In the case of restricted securities, end of restriction period</p> <p>(if issued upon conversion of another security, clearly identify that other security)</p>	
----	--	--

42	<p>Number and <sup>+</sup>class of all <sup>+</sup>securities quoted on ASX (<i>including</i> the securities in clause 38)</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%; padding: 5px;">Number</th> <th style="width: 50%; padding: 5px;"><sup>+</sup>Class</th> </tr> </thead> <tbody> <tr> <td style="height: 50px;"></td> <td></td> </tr> </tbody> </table>	Number	<sup>+</sup> Class		
Number	<sup>+</sup> Class					

---

<sup>+</sup> See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

---

**Quotation agreement**

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:

Date: 15 December 2011



**Company secretary**

Print name: David Stokes

== == == == ==

---

+ See chapter 19 for defined terms.

For personal use only