

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

GINDALBIE METALS LTD

ABN

24 060 857 614

Quarter ended ("current quarter")

31 March 2012

Consolidated statement of cash flows (see note 5)

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	-2,300	-13,444
(b) development	-	-
(c) production	-	-
(d) administration	-1,312	-5,733
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	3,323	9,007
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Management fee & labour recovery income	-	-
1.8 Other income	-	-
Net Operating Cash Flows	-289	-10,170
Cash flows related to investing activities		
1.9 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-220,000	-300,000
(c) other fixed assets	-37	-58
1.10 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.11 Loans to other entities	-	-
1.12 Loans repaid by other entities	-	-
1.13 Payment of joint venture subscription	-	-
Net investing cash flows	-220,037	-300,058
1.14 Total operating and investing cash flows (carried forward)	-220,326	-310,228

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.15	Total operating and investing cash flows (brought forward)	-220,326	-310,228
Cash flows related to financing activities			
1.16	Proceeds from issues of shares, options, etc.	-	208,954
1.17	Proceeds from sale of forfeited shares	-	-
1.18	Proceeds from borrowings	-	-
1.19	Repayment of borrowings	-	-
1.20	Dividends paid	-	-
1.21	Capital raising costs	-55	-4,081
1.22	Payments for cash backing of performance bonds	-	-
Net financing cash flows		-55	204,873
Net increase (decrease) in cash held		-220,381	-105,355
1.23	Cash at beginning of quarter/year to date	264,361	149,335
1.24	Exchange rate adjustments to item 1.23	-	-
1.25	Cash at end of quarter	43,980	43,980

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.26	Aggregate amount of payments to the parties included in item 1.2	387
1.27	Aggregate amount of loans to the parties included in item 1.11	-
1.28	Explanation necessary for an understanding of the transactions	
	Directors remuneration	387

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

--

- 2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

--

+ See chapter 19 for defined terms.

Financing facilities available (see note 5)

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Gindalbie Metals Limited has no existing credit facilities. Prior to the change in accounting policy noted below, the company previously reported its proportional share of credit facilities held by jointly controlled entities (i.e. Karara Mining Ltd).

Estimated cash outflows for next quarter (see note 5)

	\$A'000
4.1 Exploration and evaluation	2,648
4.2 Development	-
4.3 Production	-
4.4 Administration	1,883
Total	4,531

Reconciliation of cash (see note 5)

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	4,017	4,391
5.2 Deposits at call	39,963	259,970
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.25)	43,980	264,361

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	E59/1845 E59/1846 E59/1847 E59/1848 E59/1849 E59/1850 E59/1851	GML 100% GML 100% GML 100% GML 100% GML 100% GML 100% GML 100%	Nil Nil Nil Nil Nil Nil Nil	GML 100% GML 100% GML 100% GML 100% GML 100% GML 100% GML 100%

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference + securities <i>(description)</i>			
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions			
7.3	1,247,487,454	1,247,487,454		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs			
7.5	+Convertible debt securities <i>(description)</i>			

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report


7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options (description and conversion factor)	Vested Employee Options		<i>Exercise price</i>	<i>Expiry date</i>
		1,000,000	Nil	\$1.31	1-Aug-12
		1,500,000	Nil	94 cents	1-Aug-12
		300,000	Nil	\$1.84	30-Sep-13
		250,000	Nil	\$1.14	8-Oct-15
		Non Vested Employee Options			
		400,000	Nil	\$1.19 (Vest 30/4/12)	9-May-16
		300,000	Nil	\$1.19 (Vest 30/6/12)	9-May-16
		300,000	Nil	\$1.19 (Vest 30/6/13)	9-May-16
		400,000	Nil	\$1.19 (Vest 30/4/12)	9-May-16
		300,000	Nil	\$1.19 (Vest 30/6/13)	9-May-16
		300,000	Nil	\$1.19 (Vest 30/6/12)	9-May-16
		300,000	Nil	\$1.14 (Vest 30/4/12)	8-Oct-15
		250,000	Nil	\$1.14 (Vest 31/5/12)	8-Oct-15
		250,000	Nil	\$1.12 (Vest 30/4/12)	8-Oct-15
		250,000	Nil	\$1.12 (Vest 31/5/12)	8-Oct-15
		250,000	Nil	\$1.17 (Vest 30/4/12)	9-May-16
		400,000	Nil	\$1.17 (Vest 30/6/12)	9-May-16
		300,000	Nil	\$1.17 (Vest 30/6/12)	9-May-16
		300,000	Nil		
7.8	Issued during quarter	Nil	Nil	-	-
7.9	Exercised during quarter	Nil	Nil	-	-
7.10	Lapsed during quarter	250,000	Nil	\$1.14	8-Oct-15
		250,000	Nil	\$1.14	8-Oct-15
		250,000	Nil	\$1.14	8-Oct-15
		500,000	Nil	\$1.12	8-Oct-15
		250,000	Nil	\$1.14	8-Oct-15
7.11	Debentures (totals only)				
7.12	Unsecured notes (totals only)				

+ See chapter 19 for defined terms.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:



..... Date: 13 April, 2012
(Director)

Print name: Tim Netscher

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.

5 Change in accounting policies

Accounting for investments in jointly controlled entities

Gindalbie Metals Limited has early adopted AASB 11 Joint Arrangements in accounting for investments in jointly controlled entities. AASB 11 introduces a new joint control model and removes the option to proportionally consolidate, which was the accounting policy previously adopted by the company. The change in the accounting policy was made to provide more relevant information to users and was done in accordance with AASB 11 transitional provisions.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangements. A joint venturer recognises its interest in a joint venture as an investment and accounts for that investment using the equity method.

This change in accounting policy was applied retrospectively from 1 July 2011, and has had an impact on the statement of cash flow as follows :-

- Reported operating, investing and financing cash flow figures have declined to the extent of the entity's previously recognised share in the cash flows of the joint venture.
- Payments for the purchase of equity investments in joint ventures are separately disclosed.
- Dividends (when received) from joint ventures will be presented as cash flows.

== == == == ==