

19 July 2011

Australian Securites Exchange Ltd
Level 8, Exchange Plaza
2 The Esplanade
PERTH WA 6000

Section 708AA(2)(f) Cleansing Notice

On 19 July 2011, Gindalbie Metals Limited (**Gindalbie**) (ASX Code: GBG) announced that it was conducting an accelerated non-renounceable entitlement offer (**Entitlement Offer**) of 1 ordinary share in Gindalbie (**New Share**) for every 3 ordinary shares in Gindalbie (**Share**).

This notice is given by Gindalbie under section 708AA(2)(f) of the Corporations Act 2001 (Cth) (the **Act**) as modified by the ASIC Class Order 08/35 (**CO 08/35**).
Gindalbie advises that:

1. the New Shares will be offered for issue without disclosure to investors under Part 6D.2 of the Act as modified by CO 08/35;
2. this notice is being given under section 708AA(2)(f) of the Act as notionally modified by CO 08/35;
3. as a disclosing entity, Gindalbie is subject to regular reporting and disclosure obligations;
4. as at the date of this notice, Gindalbie has complied with:
 - i) the provisions of Chapter 2M of the Act as they apply to Gindalbie; and
 - ii) section 674 of the Act;
5. as at the date of this notice, there is no excluded information of the type referred to in sections 708AA(8) and 708AA(9) of the Act as notionally modified by CO 08/35; and
6. the potential effect that the issue of the New Shares under the Entitlement Offer will have on the control of Gindalbie, and the consequences of that effect, will depend on a number of factors, including investor demand.

The maximum number of New Shares to be issued pursuant to the Entitlement Offer is 311,871,864¹ New Shares.

Following the Entitlement Offer, if all entitlements are taken up, the issued capital of Gindalbie will comprise of 1,247,487,454 Shares.² A small number of additional New Shares may be issued subject to the rounding of entitlements.

The Entitlement Offer is not expected to materially impact on the control of Gindalbie.



David Stokes
Company Secretary

¹ This number may increase by up to approximately 9,050,000 New Shares in the event that existing option holders exercise their 9,050,000 options prior to the Record Date.

² Assuming that existing option holders do not exercise their options.

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