

SECURITIES EXCHANGE ANNOUNCEMENT & MEDIA RELEASE

29 November 2007

HIGH GRADE HEMATITE DISCOVERY AT SHINE PROSPECT ON WARRIEDAR JOINT VENTURE

KEY POINTS

- **Phase 1 RC drilling program completed over Shine, Gap and Lister Prospects on Warriedar Joint Venture ground with Royal Resources Ltd**
- **Drill Results from the Shine Prospect include:**
 - Hole SNC 002 60 metres @ 62.6% Fe from 59 metres**
 - Hole SNC 005 27 metres @ 63.1% Fe from 55 metres**
 - Hole SNC 008 22 metres @ 63.9% Fe from 44 metres**
- **Assay results are pending from Gap and Lister Prospects**
- **Results confirm the Company's view that the hematite outcrops mark underlying DSO grade iron ore at depth**
- **Phase 2 drilling program planned and approved pending return of all assay results**

Gindalbie Metals Ltd (**ASX Code: GBG**) is pleased to announce that the Phase 1 drilling program over the Shine, Gap and Lister Prospects at the Warriedar JV (GBG 60%) has been completed and that significant assay results have been returned from the Shine prospect with further results from the Gap and Lister Prospects still pending.

The high grade hematite mineralisation present at Shine has been returned from 4 lines of drilling spaced 200 metres apart along strike. The deeper enriched zones have been intersected in 8 of 10 holes drilled at the prospect. (See Figure 1). The surface outcrop of the hematite enrichment extends a further 200 metres north into a tenement held 100% by Gindalbie Metals Limited.

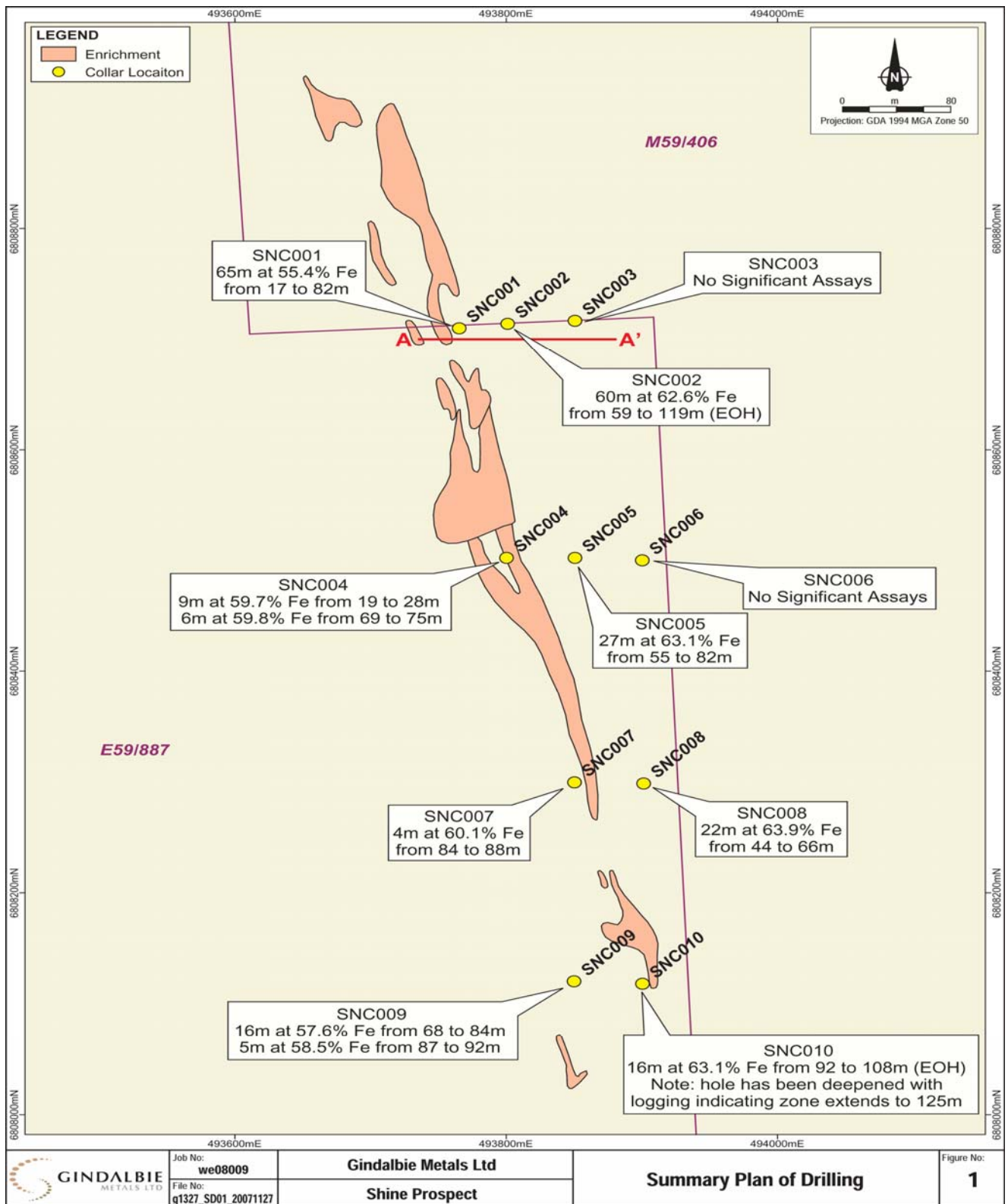


Figure 1 – Summary Plan of Drill Holes at Shine Prospect.

The mineralisation occurs below surface outcrops of DSO grade iron ore mapped earlier in 2007 and represent iron enrichment mineralisation associated with alteration of the host BIF horizon within the oxidation zone to a depth of approximately 100metres below surface.

To date some 3,670 metres of RC samples have been submitted for assay and approximately half the assay results have been returned.

Table 1 below sets out the results received to date from the Shine Prospect only.

Shine Prospect Intervals +55% Fe				Head Grade					
Hole ID	From (m)	To (m)	Interval (m)	Fe %	SiO ₂ %	Al ₂ O ₃ %	P %	S %	LOI %
SNC001	17	82	65	55.4	14.6	1.7	0.07	0.01	4.3
<i>Including</i>	17	31	14	58.4	7.6	3.4	0.07	0.01	5.0
<i>and</i>	69	82	13	62.1	5.9	0.9	0.08	0.01	4.0
SNC002	59	119	60	62.6	4.4	1.4	0.12	0.01	4.2
SNC004	19	28	9	59.7	6.5	1.9	0.07	0.02	5.7
SNC005	55	82	27	63.1	3.8	1.1	0.11	0.01	4.3
SNC007	84	88	4	60.1	2.3	0.9	0.35	0.01	9.5
SNC008	44	66	22	63.9	2.7	1.6	0.06	0.03	3.9
SNC009	68	84	16	57.6	12.5	0.7	0.05	0.02	3.7
SNC010	92	108	16	63.1	6.7	0.3	0.04	0.02	2.3

Table 1 - Shine Prospect Assay Results

The cross-section in Figure 2 below shows the nature of the mineralisation at the Shine Prospect with the high grade hematite zone extending from surface to a depth of approximately 100 metres within a dominant Eastern zone and a less consistent Western Zone.

The drilling undertaken to date confirms the Company's view that the Direct Shipping Ores (DSO) at the Warriedar JV tenure comprise near-surface supergene ore that marks areas of high grade enrichment at depth.

Further phases of drilling at all the prospects within the Warriedar Joint Venture will be undertaken when all assay data has been received to test the extent and consistency of this style of mineralisation both along strike and internally.

Commenting on the discovery Gindalbie's Managing Director, Mr Garret Dixon said: "that while the extent of the DSO grade mineralisation cannot yet be quantified, the Company believes that sufficient quantities of ore can be defined at the Shine Prospect to enable evaluation of the project as an attractive addition to other iron ore projects proposed for the area."

"We are looking forward to continuing to identify new areas of high-grade hematite mineralisation as part of our ongoing exploration activities in the immediate vicinity of the proposed infrastructure at Karara. These hematite projects complement our world class Karara Iron Ore Project that we are well on the way to develop." Mr Dixon added.

The Shine Prospect is the first iron ore prospect drilled on the Warriedar Joint Venture ground and the results demonstrate the prospectivity of Gindalbie's land position outside of the Karara Iron Ore Project in the Mid West region of Western Australia. Gindalbie holds iron ore rights to 1,900 square kilometres of tenements outside of the Karara Joint venture area.

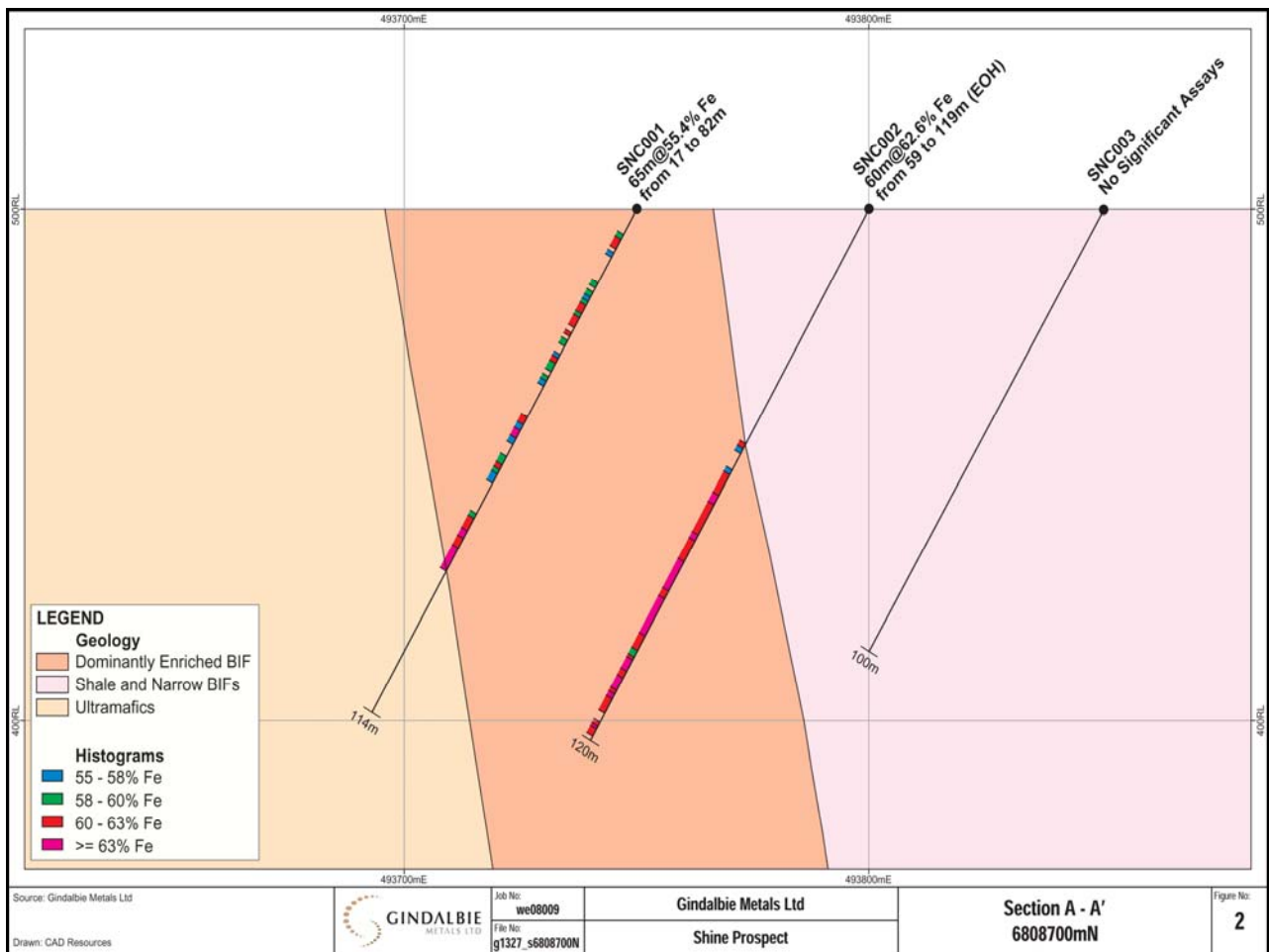


Figure 2 – Cross Section of Shine Prospect at 6808700mN

ENDS

Released by:
Nicholas Read
Read Corporate
Telephone: (+61-8) 9388-1474

On behalf of:
Mr Garret Dixon/ Mr Darren Gordon
Managing Director/Chief Financial Officer
Telephone: (+61-8) 9480-8700

Competent Person Compliance Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Andrew Munckton who is a Member of the Australasian Institute of Mining and Metallurgy.

Mr Munckton is a full-time employee of the Company and has sufficient experience which is relevant to the style of mineralisation and type of deposit and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Munckton consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.