

Gindalbie: Equity Raising

Tim Netscher
Managing Director & CEO
July 2011





Disclaimer

Presentation of General Background

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The information in this statement that relates to Mineral Resources is based on information compiled by Sharron Sylvester who is a full-time employee of AMC Consultants Pty Ltd and a Member of the Australian Institute of Geoscientists and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the JORC Code (2004). Sharron Sylvester consents to the inclusion of this information in the form and context in which it appears.

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All dollar amounts shown in this presentation are in Australian dollars unless otherwise stated.



Disclaimer

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The information provided in this presentation is not intended to be relied upon as advice to investors or potential investors and has been prepared without taking into account the recipient's investment objectives, financial circumstances or particular needs. Any investment decision should be made based solely upon appropriate due diligence and, if applicable, upon receipt and careful review of relevant offering documents. Recipients of this presentation are advised to consult their own professional advisers. An investment in any listed company, including Gindalbie, is subject to significant risks of loss of income and capital. Cooling-off rights do not apply to an investment in any Gindalbie ordinary shares. The recipient cannot, in most circumstances, withdraw an application once it has been accepted.

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Building an Australian Mining House

Karara Iron Ore Project

- World-class resource underpins production potential of +30Mtpa
- Strong partnership with Ansteel providing offtake and funding support
- Prime location
- DSO production underway, magnetite production scheduled for June 2012

Gindalbie Growth

- Significant Mid West tenement position outside Karara JV
- Ansteel MOU provides framework to pursue new growth opportunities





Gindalbie Equity Raising – Offer Details

Offer size and structure

- Gindalbie to raise approximately A\$209 million via a 1 for 3 non-renounceable accelerated pro-rata entitlement offer (“Entitlement Offer”) comprising:
 - approximately A\$119 million institutional component (“Institutional Offer”) including Ansteel participation
 - approximately A\$90 million retail component (“Retail Offer”)
- 311.9 million new Gindalbie ordinary shares to be issued (including shares to be issued to Ansteel)
- The non-Ansteel component of the Entitlement Offer (representing approximately A\$134 million) has been fully underwritten by UBS and Morgan Stanley

Offer Price

- Price of \$0.67 per-share
- Approximate 8.2% discount to the theoretical ex-rights price (TERP)
- Approximate 10.7% discount to Gindalbie’s last close

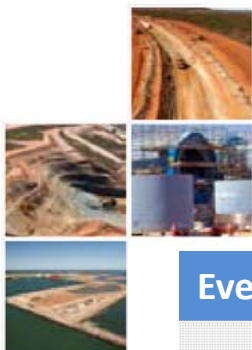
Ansteel participation

- Because of the timeframe for securing necessary regulatory approvals, a separate placement (subject to Gindalbie shareholder approval and other conditions) will be made to Ansteel for an amount of shares equivalent to its entitlement and on the same terms as the Entitlement Offer (“Placement”)
- On this basis Ansteel has entered into a Subscription Agreement in relation to the Placement with Gindalbie to subscribe for A\$75.0 million to maintain their pro-rata shareholding of 35.9%
- Ansteel's participation in the Placement is conditional upon the receipt of relevant regulatory approvals and other conditions

Shareholder vote

- An Extraordinary General Meeting (“EGM”) will be convened to seek approval for Ansteel to participate in the Placement under ASX LR 10.11.

Gindalbie Equity Raising – Indicative Offer Timetable



Event	Date
1. Announcement of Entitlement Offer	19 July 2011
2. Completion of Institutional Offer	20 July 2011
3. Record date for Entitlement Offer	22 July 2011
4. Retail Offer commences	29 July 2011
5. Settlement of Institutional Offer	2 August 2011
6. New shares commence trading – shares issued pursuant to Institutional Offer	3 August 2011
7. Completion of Retail Offer	12 August 2011
8. Settlement of Retail Offer	19 August 2011
9. New shares commence trading – shares issued pursuant to Retail Offer	23 August 2011
10. EGM: Shareholders vote on conditional placement to Ansteel	Early September 2011
11. Completion of placement to Ansteel ¹	15 December 2011

Notes:

1. Ansteel participation is dependent upon timing of receipt of regulatory approvals

Gindalbie Equity Raising – Use of Funds



	\$A mil
Gindalbie cash reserves as at 30 June 2011	149.3
Net proceeds from Entitlement Offer	205.4
	354.7
<i>Less: additional equity contribution to KML</i>	<i>(300.0)</i>
Gindalbie available cash reserves after additional equity contribution to KML*	54.7

** These available cash reserves, which are independent of KML cash reserves, will be used to fund Gindalbie's current exploration and M&A program and general corporate overheads*

Karara Project Funding – Debt and Equity



Project Debt Provider: Chinese banking syndicate lead by China Development Bank & Bank of China	A\$1,628M* (54%)
Tranche 1 Facility – USD\$1.2B 12 year project loan facility signed in June 2010	
Tranche 2 Facility – USD\$336M + USD\$300M bank guarantee Framework agreement signed April 2011, final documentation expected to be signed early in FY12	
Project Equity:	A\$1,372M (46%)
JV Partner equity contributed to-date: A\$772M	
Additional equity contribution required: A\$600M <ul style="list-style-type: none"> • Gindalbie A\$300M • Ansteel A\$300M 	
Total	A\$3,000M (100%)

** Slide assumes USD debt facilities converted to AUD at an average exchange rate of 0.943. Any funding shortfall which may arise due to a less favourable average exchange rate over the debt draw-down period is expected to be funded by additional bank debt. Original project debt facility was negotiated using a 70/30 debt/equity funding ratio, versus 54/46 after proposed equity raising (based on current debt drawn down, and recent USD/AUD exchange rates, approx. USD\$150m-\$200m of additional funding may be required to fund the project).*

Project Definitive Cost Estimate



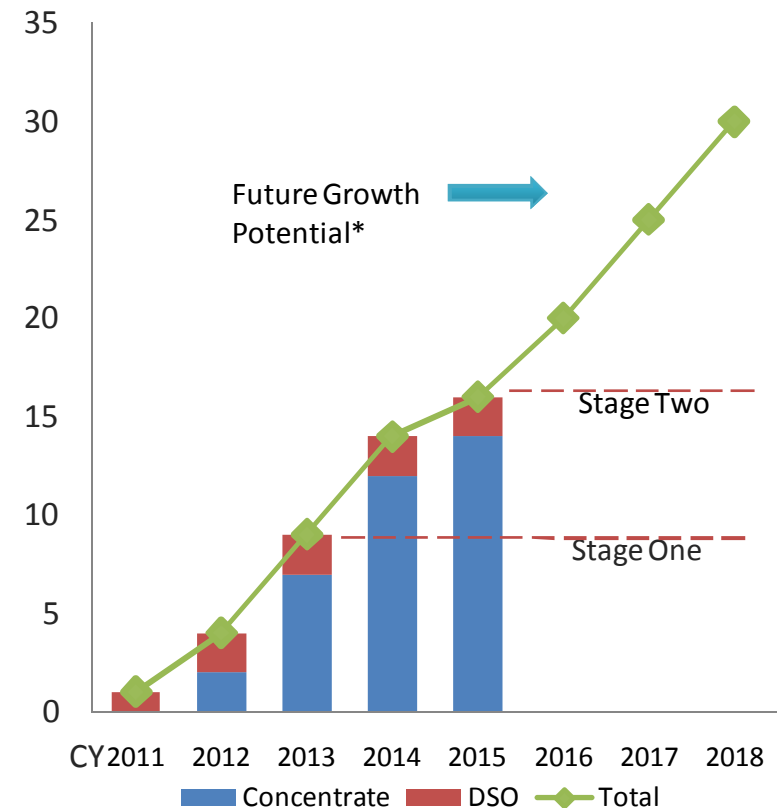
Capital Cost	A\$m's
Processing plant & minesite infrastructure	1,341
Power transmission	269
Roads, rail & port	416
Project management & design	375
Other	169
Total Project Construction Cost	2,570
Working Capital	430

Operating Cash Cost*	Stage One 10Mtpa A\$/t	Stage Two 16Mtpa A\$/t
Total Operating Cash Cost	65-68	55-60

* Operating cost excludes state royalty

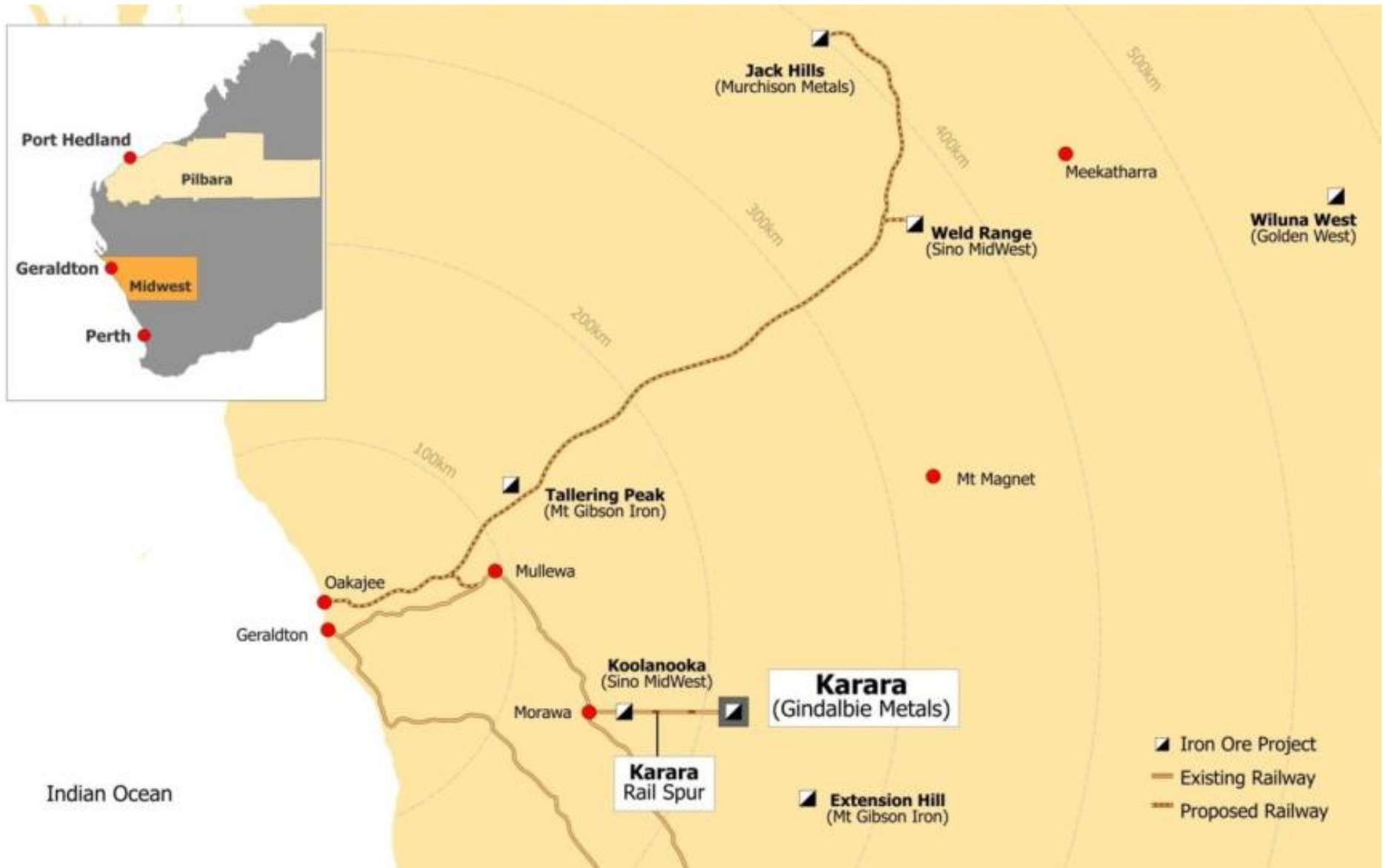
Karara – Ramp Up & Growth Potential

- DSO production underway, ramping up to 2Mtpa by Dec 2012
- Stage 1 magnetite commissioning Jan 2012, first shipment Jun 2012, ramping up to 8Mtpa by Dec 2012
- Initial construction includes infrastructure built to support Stage 2 production of 16Mtpa
- Stage 2 expansion study to 16Mtpa underway
- Karara’s Geraldton Port capacity 16Mtpa. Further expansion requires Oakajee Port development

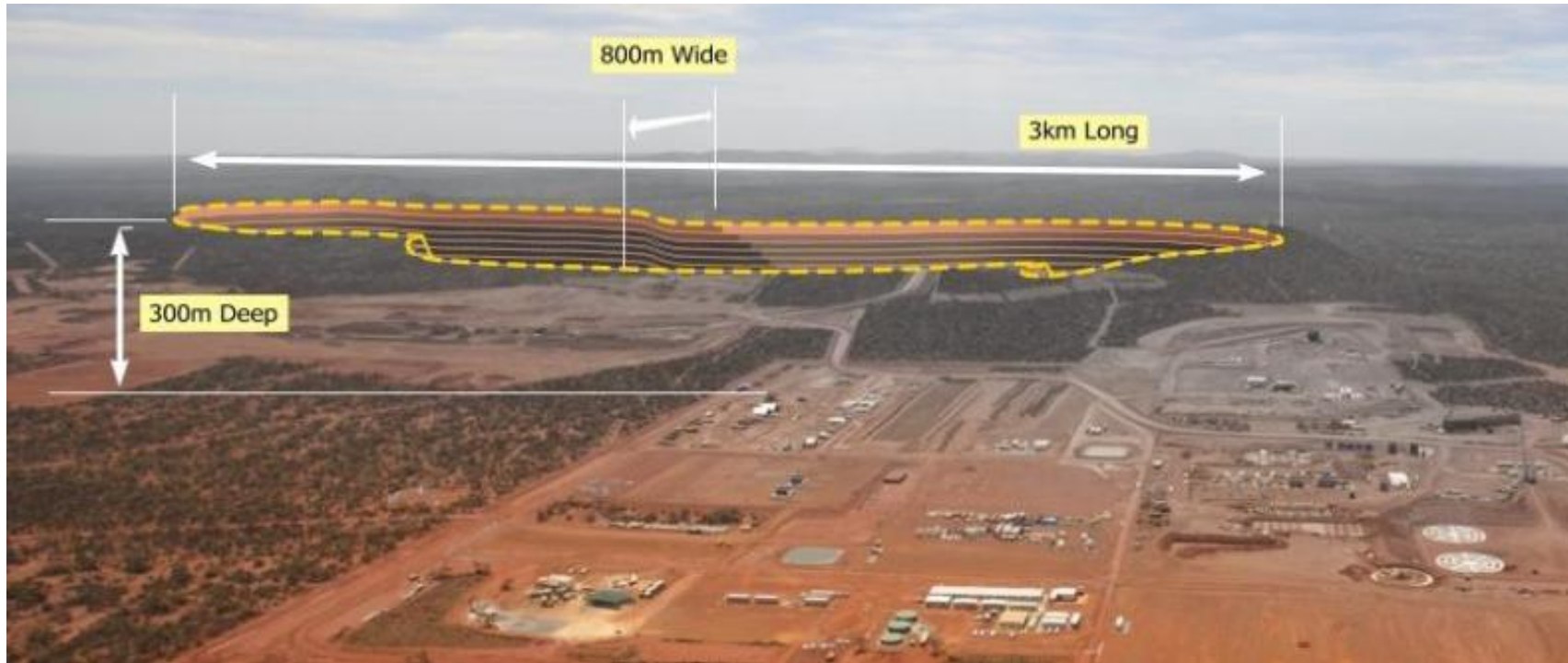


** Future growth potential to 16Mtpa and 30Mtpa would be dependent on completion of a bankable feasibility study and access to future funding to support construction required for future potential stages. Future growth timeframe is indicative only.*

Western Australia's Emerging Mid West



Resource – The Foundation of the Karara Project



World-class Karara magnetite deposit

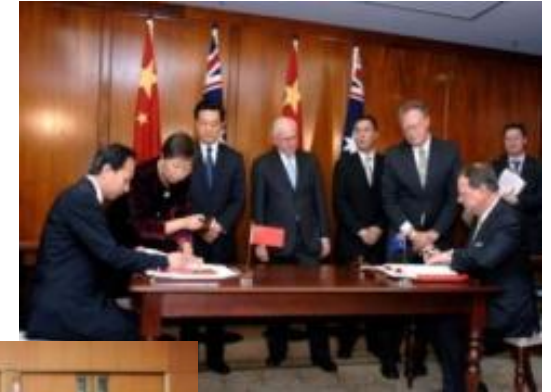
- JORC Indicated and Inferred Resource – 2,406mt@33.8%Fe
- Orebody can support potential production of +30Mtpa for 30 years
- Resource remains open at depth and along strike

The Ansteel Difference

One of China's biggest steel makers, located in Liaoning Province, Northern China

Benefits of having the Ansteel Group as Karara's strategic partner include:

- 100% Project offtake life-of-mine
- Ansteel Group requires a long-term, strategic supply of high quality iron ore
- Financial Strength
- Ansteel Group's project funding support - equity and debt arrangement



Images top to bottom:
Karara Joint Venture Agreement Signing Ceremony, Sep 2007;
Karara US1.2 billion Project Debt Signing Ceremony, Apr 2010;
Karara Working Capital Facilities Signing Ceremony, Apr 2011

Ansteel Fully Committed to Gindalbie and Karara - A\$743m Invested

Offtake Arrangements with Ansteel Group

Magnetite Contract – Signed March 2010

- Life-of-mine contract for all Karara concentrate
- Hamersley Pilbara Blend price (grade adjusted), plus quality price adjustment for Karara’s high iron low impurity product

Hematite Contract – Signed April 2010

- Life of mine contract for all Karara Hematite
- Hamersley iron ore fines and lump prices

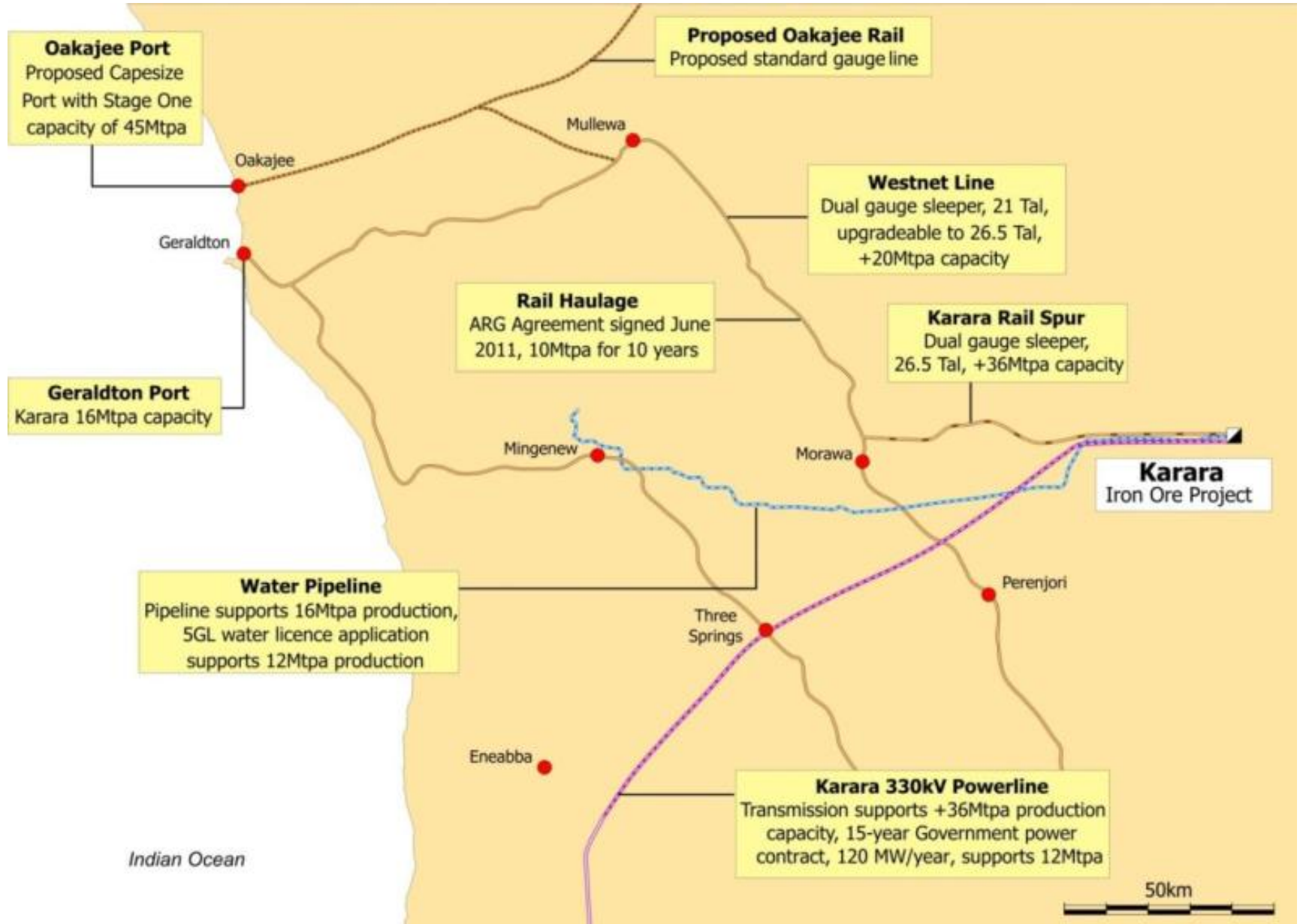
Karara – A Premium Product

	Karara Concentrate	Hamersley Pilbara Blend
Fe% (Iron)	68.2%	62.2%
SiO ₂ % (Silica)	4.75%	3.6%
Al ₂ O ₃ % (Alumina)	0.10%	2.1%
P% (Phosphorus)	0.01%	0.1%

High iron content, low impurities



Karara Infrastructure Solutions



Infrastructure – Geraldton Port

Karara's Geraldton Port capacity supports up to 16Mtpa production



Infrastructure Schedule



Rail

- Scheduled commissioning Q4 CY2011
- Common user line upgrade scheduled completion Dec 2012. Staged access from Jan 2012



Water

- Pipeline 75% complete, scheduled commissioning Q4 2011
- Water license expected Aug 2011



Power

- 330kV High Voltage transmission line Eneabba to Karara, scheduled commissioning Q1 2012



Geraldton Port

- Karara train unloader, storage facility and berth/shiploader, scheduled commissioning Q1 2012



Gindalbie – Strong Growth Potential

Karara – Springboard for Growth

- World-class resource
- Hematite production underway, Magnetite production June 2012
- Strong margins at 10Mtpa. Project potential for +30Mtpa production
- Offtake agreements and infrastructure solutions in place

Gindalbie's own Projects

- Karara brings rail, power and water infrastructure, enhancing opportunity to develop other projects
- 1900sq km Mid West tenement holding outside Karara JV, including several identified DSO and magnetite prospects (eg Warriedar)

Capitalising on the Ansteel Group Partnership

- MOU to jointly target new resource development opportunities, including iron ore, coal, manganese, chromite and nickel





Risk Summary

Uncertainty of development of projects and exploration

Development activities and exploration are highly speculative, involve many risks and may be unsuccessful. Gindalbie's ability to achieve its proposed forecast levels of production is dependent on the success of development of projects. As a result of the uncertainties involved in these activities, the development of projects may not occur on time, on budget or at all, which would adversely affect Gindalbie's results of operation and its financial condition.

Metal prices and Exchange Rates

Iron ore prices may impact the long term contract price achievable by Gindalbie and therefore the cash flows and profitability of Gindalbie. Continued low iron ore prices may have a materially adverse affect on Gindalbie's share price. A significant portion of Gindalbie's revenue are denominated in US currency and movements in currency exchange rates may affect cash flows, profitability, costs and revenue. It is not possible to accurately predict future movements in the iron ore prices and/or exchange rates.

Reliance on key customers

Gindalbie's businesses rely on a number of off-take and business relationships, particularly in relation to Ansteel. If Ansteel reduces production or terminates the relationship, this may have an adverse effect on the financial performance and/or financial position of Gindalbie. In addition, Gindalbie may generate its revenue from the sale of iron ore to customers under other agreements. There is potential that Gindalbie will not receive payments for the sale of its iron ore if a customer becomes insolvent or fails to provide payment in accordance with its agreement with Gindalbie.

Resource and reserve estimates

Gindalbie has made estimates of its resources and reserves based on relevant reporting codes, where required, and judgments based on knowledge, skills and industry experience. However, there is no guarantee that estimates will prove to be accurate. Actual mining results may materially differ from forecasts and estimates due to further findings and results not previously known or fluctuations in operating costs, exchange rates and iron ore prices.



Risk Summary

Production estimates

Actual future production may vary materially from targets and projections of future production for a variety of reasons. There is greater risk that actual production will vary from estimates of production made for properties under exploration or not yet in production or from operations that are to be expanded.

Non Participation

Should Ansteel not be able to secure relevant approvals to participate in the equity raising then Gindalbie will need to raise any short fall funding from alternative sources.

Operating risks

In common with other enterprises in the minerals and mining industry, Gindalbie's mineral exploration, development and mining activities, including the delivery of supplies and consumables and the transportation of products are subject to conditions beyond Gindalbie's control that can reduce production and sales and/or increase costs. These conditions include, but are not limited to: changes in legislative requirements; market conditions; government policies; exchange rates; abnormal or severe weather or climatic conditions; natural disasters; unexpected maintenance or technical problems; key equipment failures; industrial disruption; and variations in geological conditions. An inability to secure ongoing supply of such goods and services at prices assumed within production targets could potentially impact the results of Gindalbie's operations, and in a worst case scenario, result in the shutdown of an operation.

Economic conditions

Adverse changes in economic conditions such as interest rates, exchange rates, inflation, government policy, international economic conditions and employment rates amongst others are outside Gindalbie's control and have the potential to have an adverse impact on Gindalbie and its operations.



Risk Summary

No currency hedging

Gindalbie or Karara Mining Limited have not put in place any hedging arrangements to mitigate its negative exposure to foreign exchange risk. Should foreign exchange movements have a material adverse effect on Gindalbie, it may need to consider the possibility of further debt or equity funding to cover its share of any such shortfall. Based on current exchange rates Gindalbie anticipates that a further US\$150 million to US\$200 million may be required to support the existing US debt loan facility.

Capital and operating costs

The revised capital and operating cost estimate is based on the best available information at the time. Any significant unforeseen increases in the capital and operating costs associated with the development and construction of the Karara Iron Ore Project would impact Gindalbie's future cash flow and profitability. Capital and operating costs for the development of major projects in Western Australia have increased in recent years due to higher raw material prices as well as increased labour and contractor costs.

Environmental risks

Extensive national environmental laws and regulations in Australia affect the development activities and ultimately operations of Gindalbie. The laws and regulations set various standards which regulate certain aspects of health and environmental quality, provide penalties or other remedies for any violation of standards and, in certain circumstances, impose obligations to undertake remedial action in current locations where operations are conducted. There is a risk that significant damages or penalties might be imposed on Gindalbie, including for certain discharges into the environment, effects on employees, sub-contractors or customers, or as clean up costs. Gindalbie minimises these risks by having processes in place to manage compliance with environmental laws and regulations in Australia.



Risk Summary

Reliance on key personnel

The responsibility of overseeing day-to-day exploration, development and the strategic management of Gindalbie is concentrated amongst a small number of key employees. While it is not currently anticipated, one or any number of these key employees may cease employment with Gindalbie. The loss of any such key employees of Gindalbie could have the potential to have a detrimental impact on Gindalbie until the skills that are lost are adequately replaced.

Occupational health and safety

Gindalbie manages certain risks associated with the occupational health and safety of its employees. Gindalbie takes out insurance to cover these risks within certain parameters, however it is possible for injuries and/or incidents to occur which may result in expenses in excess of the amount insured or provided for with a resultant impact on Gindalbie's earnings.

Industrial disputes

Industrial disputes may arise from claims for higher wages and/ or better working conditions in the industry in which Gindalbie operates. This could disrupt operations and impact on earnings.

Single asset risk

Although Gindalbie has a number of new developments being assessed, it is currently anticipated that it will be reliant on the future cash flows of a single asset, being the Karara Iron Ore Project. This increases the exposure of Gindalbie to operational risk in relation to this one asset.

Debt Facilities

Should Karara not be able to finalise the framework agreement debt facilities previously announced, or satisfy the conditions of draw down under those facilities, then Karara will need to source funding from alternative sources. Karara is in discussions with the banks to align the timing of Gindalbie and Ansteel's equity contributions into Karara with the timing of this fundraising. If the banks do not agree to the revised timetable then Gindalbie may need to seek Ansteel approval to bring forward the timing of the Ansteel placement. If this is not possible Gindalbie may need to seek funding from alternative sources to satisfy the timing requirements.



Risk Summary

Stock market fluctuations

There are risks associated with any investment in a company listed on the ASX. The value of shares may rise above or below the current share price depending on the financial and operating performance of Gindalbie and external factors over which Gindalbie and the Directors have no control.

These external factors include:

- economic conditions in Australia and overseas which may have a negative impact on equity capital markets;
- changing investor sentiment in the local and international stock markets;
- changes in domestic or international fiscal, monetary, regulatory and other government policies; and
- developments and general conditions in the markets in which Gindalbie proposes to operate and which may impact on the future value and pricing of shares.

Regulatory risks

Gindalbie is exposed to any changes in the regulatory conditions under which it operates in Australia. Such regulatory changes can include, for instance, changes in:

- taxation laws and policies;
- accounting laws, policies, standards and practises;
- environmental laws and regulations that may impact upon the operations and processes of Gindalbie; and
- employment laws and regulations, including laws and regulations relating to occupational health and safety.



International Offer Restrictions

This document does not constitute an offer of new ordinary shares ("New Shares") of the Company in any jurisdiction in which it would be unlawful. New Shares may not be offered or sold in any country outside Australia except to the extent permitted below.

European Economic Area – Austria, Belgium, Germany, Luxembourg and Netherlands

The information in this document has been prepared on the basis that all offers of New Shares will be made pursuant to an exemption under the Directive 2003/71/EC ("Prospectus Directive"), as implemented in Member States of the European Economic Area (each, a "Relevant Member State"), from the requirement to produce a prospectus for offers of securities. An offer to the public of New Shares has not been made, and may not be made, in a Relevant Member State except pursuant to one of the following exemptions under the Prospectus Directive as implemented in that Relevant Member State:

- a. to legal entities that are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;
- b. to any legal entity that has two or more of (i) an average of at least 250 employees during its last fiscal year; (ii) a total balance sheet of more than €43,000,000 (as shown on its last annual unconsolidated or consolidated financial statements) and (iii) an annual net turnover of more than €50,000,000 (as shown on its last annual unconsolidated or consolidated financial statements);
- c. to fewer than 100 natural or legal persons (other than qualified investors within the meaning of Article 2(1)(e) of the Prospectus Directive) subject to obtaining the prior consent of the Company or any underwriter for any such offer; or
- d. in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of New Shares shall result in a requirement for the publication by the Company of a prospectus pursuant to Article 3 of the Prospectus Directive.



International Offer Restrictions

France

This document is not being distributed in the context of a public offering of financial securities (offre au public de titres financiers) in France within the meaning of Article L.411-1 of the French Monetary and Financial Code (Code monétaire et financier) and Articles 211-1 *et seq.* of the General Regulation of the French Autorité des marchés financiers ("AMF"). The New Shares have not been offered or sold and will not be offered or sold, directly or indirectly, to the public in France.

This document and any other offering material relating to the New Shares have not been, and will not be, submitted to the AMF for approval in France and, accordingly, may not be distributed or caused to be distributed, directly or indirectly, to the public in France.

Such offers, sales and distributions have been and shall only be made in France to (i) qualified investors (investisseurs qualifiés) acting for their own account, as defined in and in accordance with Articles L.411-2-II-2° and D.411-1 to D.411-3, D. 744-1, D.754-1 and D.764-1 of the French Monetary and Financial Code and any implementing regulation and/or (ii) a restricted number of non-qualified investors (cercle restreint d'investisseurs) acting for their own account, as defined in and in accordance with Articles L.411-2-II-2° and D.411-4, D.744-1, D.754-1 and D.764-1 of the French Monetary and Financial Code and any implementing regulation.

Pursuant to Article 211-3 of the General Regulation of the AMF, investors in France are informed that the New Shares cannot be distributed (directly or indirectly) to the public by the investors otherwise than in accordance with Articles L.411-1, L.411-2, L.412-1 and L.621-8 to L.621-8-3 of the French Monetary and Financial Code.

China

The information in this document does not constitute a public offer of the New Shares, whether by way of sale or subscription, in the People's Republic of China (excluding, for purposes of this paragraph, Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan). The New Shares may not be offered or sold directly or indirectly in the PRC to legal or natural persons other than directly to "qualified domestic institutional investors".



International Offer Restrictions

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies Ordinance (Cap. 32) of Hong Kong (the "Companies Ordinance"), nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Shares have not been and will not be offered or sold in Hong Kong by means of any document, other than (i) to "professional investors" (as defined in the SFO) or (ii) in other circumstances that do not result in this document being a "prospectus" (as defined in the Companies Ordinance) or that do not constitute an offer to the public within the meaning of that ordinance.

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors (as defined in the SFO and any rules made under that ordinance). No person allotted New Shares may sell, or offer to sell, such shares in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such shares.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

Ireland

The information in this document does not constitute a prospectus under any Irish laws or regulations and this document has not been filed with or approved by any Irish regulatory authority as the information has not been prepared in the context of a public offering of securities in Ireland within the meaning of the Irish Prospectus (Directive 2003/71/EC) Regulations 2005 (the "Prospectus Regulations"). The New Shares have not been offered or sold, and will not be offered, sold or delivered directly or indirectly in Ireland by way of a public offering, except to (i) qualified investors as defined in Regulation 2(l) of the Prospectus Regulations and (ii) fewer than 100 natural or legal persons who are not qualified investors.



International Offer Restrictions

Italy

The offering of the New Shares in the Republic of Italy has not been authorized by the Italian Securities and Exchange Commission (Commissione Nazionale per le Società e la Borsa, "CONSOB") pursuant to the Italian securities legislation and, accordingly, no offering material relating to the New Shares may be distributed in Italy and such securities may not be offered or sold in Italy in a public offer within the meaning of Article 1.1(t) of Legislative Decree No. 58 of 24 February 1998 ("Decree No. 58"), other than:

- a. to Italian qualified investors, as defined in Article 100 of Decree no.58 by reference to Article 34-ter of CONSOB Regulation no. 11971 of 14 May 1999 ("Regulation no. 11971") as amended ("Qualified Investors"); and
- b. in other circumstances that are exempt from the rules on public offer pursuant to Article 100 of Decree No. 58 and Article 34-ter of Regulation No. 11971 as amended.

Any offer, sale or delivery of the New Shares or distribution of any offer document relating to the New Shares in Italy (excluding placements where a Qualified Investor solicits an offer from the issuer) under the paragraphs above must be:

- a. made by investment firms, banks or financial intermediaries permitted to conduct such activities in Italy in accordance with Legislative Decree No. 385 of 1 September 1993 (as amended), Decree No. 58, CONSOB Regulation No. 16190 of 29 October 2007 and any other applicable laws; and
- b. in compliance with all relevant Italian securities, tax and exchange controls and any other applicable laws.

Any subsequent distribution of the New Shares in Italy must be made in compliance with the public offer and prospectus requirement rules provided under Decree No. 58 and the Regulation No. 11971 as amended, unless an exception from those rules applies. Failure to comply with such rules may result in the sale of such New Shares being declared null and void and in the liability of the entity transferring the New Shares for any damages suffered by the investors.



International Offer Restrictions

New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Securities Act 1978 (New Zealand).

The New Shares in the entitlement offer are not being offered or sold to the public in New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of New Shares is being made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2002 (New Zealand).

Other than in the entitlement offer, New Shares may be offered and sold in New Zealand only to:

- a. persons whose principal business is the investment of money or who, in the course of and for the purposes of their business, habitually invest money; or
- b. persons who are each required to (i) pay a minimum subscription price of at least NZ\$500,000 for the securities before allotment or (ii) have previously paid a minimum subscription price of at least NZ\$500,000 for securities of the Company ("initial securities") in a single transaction before the allotment of such initial securities and such allotment was not more than 18 months prior to the date of this document.

Norway

This document has not been approved by, or registered with, any Norwegian securities regulator pursuant to the Norwegian Securities Trading Act of 29 June 2007. Accordingly, this document shall not be deemed to constitute an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act of 2007.

The New Shares may not be offered or sold, directly or indirectly, in Norway except:

- a. to "professional investors" (as defined in Norwegian Securities Regulation of 29 June 2007 no. 876);
- b. any natural person who is registered as a professional investor with the Norwegian Financial Supervisory Authority (No. Finanstilsynet) and who fulfils two or more of the following: (i) any natural person with an average execution of at least ten transactions in securities of significant volume per quarter for the last four quarters; (ii) any natural person with a portfolio of securities with a market value of at least €500,000; and (iii) any natural person who works, or has worked for at least one year, within the financial markets in a position which presuppose knowledge of investing in securities;
- c. to fewer than 100 natural or legal persons (other than "professional investors", as defined in clauses (a) and (b) above); or
- d. in any other circumstances provided that no such offer of New Shares shall result in a requirement for the registration, or the publication by the Company or an underwriter, of a prospectus pursuant to the Norwegian Securities Trading Act of 29 June 2007.



International Offer Restrictions

Singapore

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are (i) an existing holder of the Company's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) a "relevant person" (as defined under section 275(2) of the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to on-sale restrictions in Singapore and comply accordingly.

Switzerland

The New Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange ("SIX") or on any other stock exchange or regulated trading facility in Switzerland. This document has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering material relating to the New Shares may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering material relating to the New Shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the offer of New Shares will not be supervised by, the Swiss Financial Market Supervisory Authority (FINMA).

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International Offer Restrictions

United Kingdom

Neither the information in this document nor any other document relating to the offer has been delivered for approval to the Financial Services Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the New Shares. This document is issued on a confidential basis to "qualified investors" (within the meaning of section 86(7) of FSMA) in the United Kingdom, and the New Shares may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) FSMA. This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

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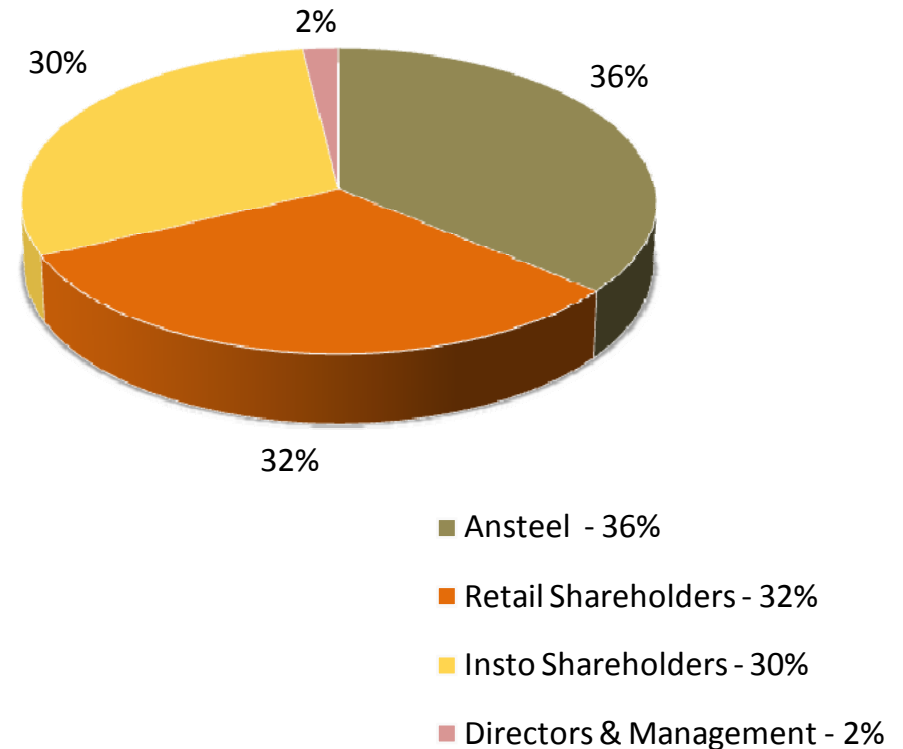


APPENDICES



Gindalbie – Current Corporate Snap Shot

- Shares on issue 935.6m
- Market Capitalisation: ~A\$700m
- Cash Reserves (at 30 June 2011):
 - ✓ Consolidated Cash - A\$236.6m
 - ✓ Independent Cash - A\$149.3m
- No Corporate Debt



Key Contacts

Tim Netscher, Managing Director & CEO – tim.netscher@gindalbie.com.au

Michael Weir, Investor Relations Manager – michael.weir@gindalbie.com.au

Experienced Team – Proven Track Record



Gindalbie Metals Limited Board



George Jones
Chairman

Tim Netscher
MD & CEO

Yu Wanyuan
Non-Executive
Director

Chen Ping
Non-Executive
Director

Shao Anlin
Non-Executive
Director

Wang Heng
Non-Executive
Director

Michael O'Neill
Non-Executive
Director

Robin Marshall
Non-Executive
Director

Gindalbie Metals and Karara Senior Management



David Richardson
CFO

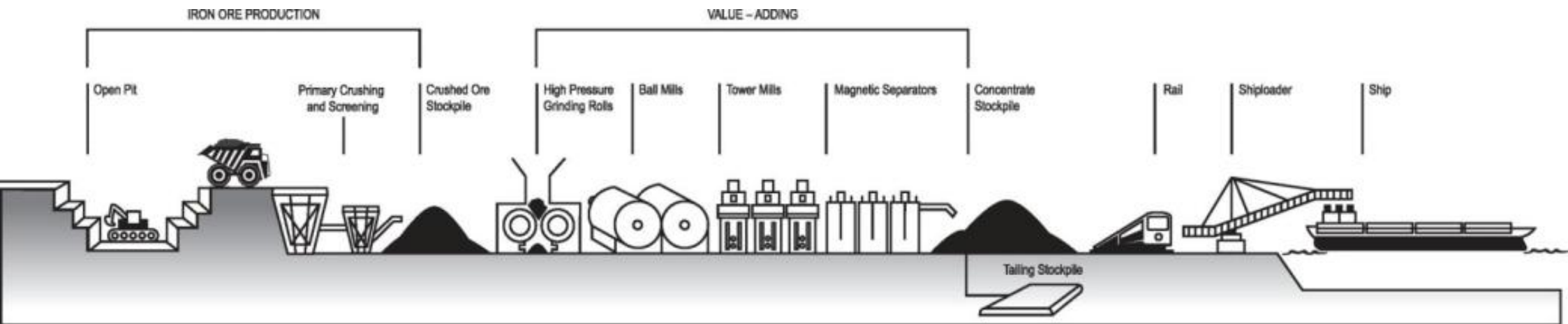
Steve Abbott
GM – Business
Development

David Stokes
General Counsel
& Co Secretary

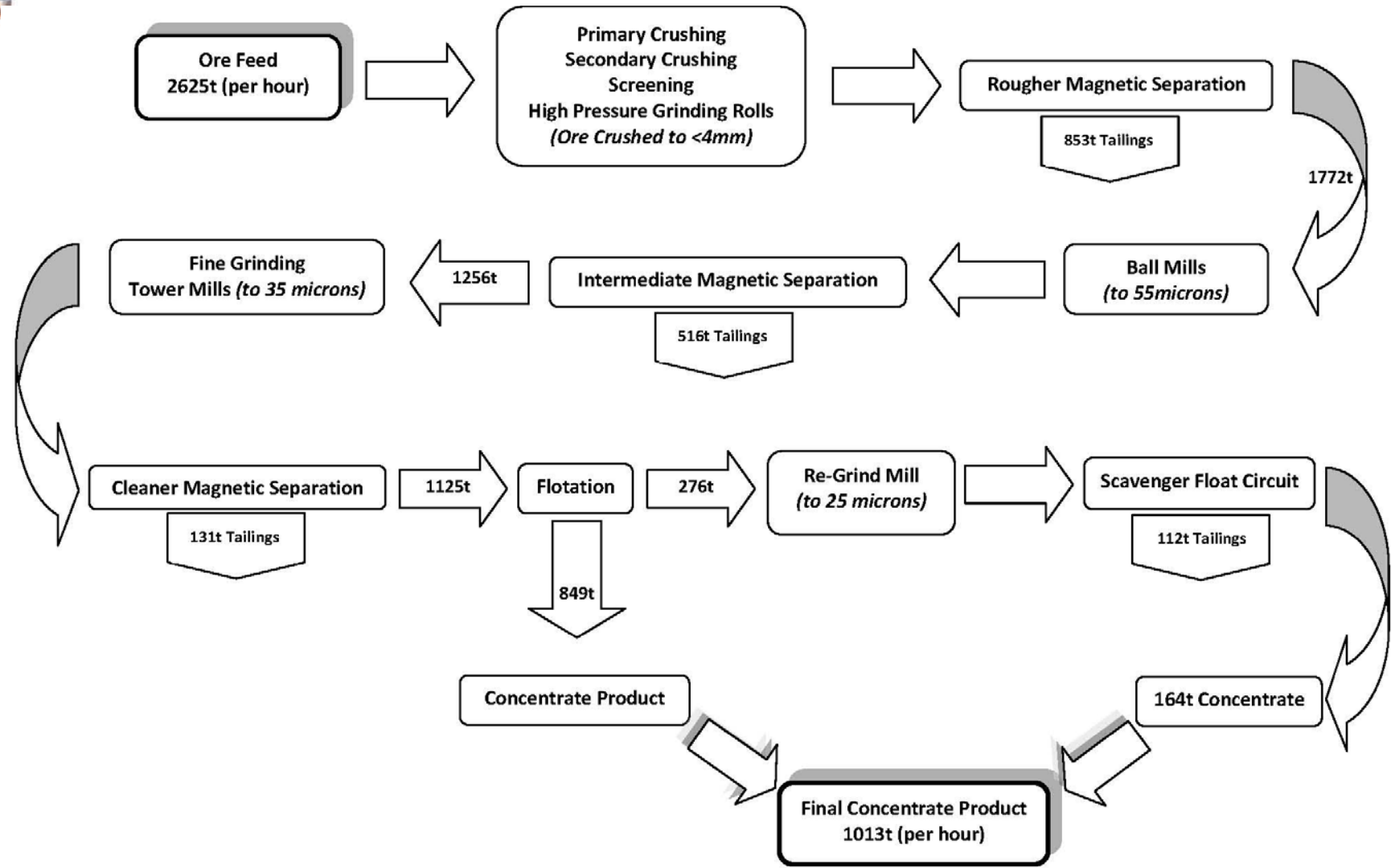
Michael Weir
Corp Affairs &
Investor Relations
Manager

Stephen Murdoch
CEO
Karara Mining Ltd

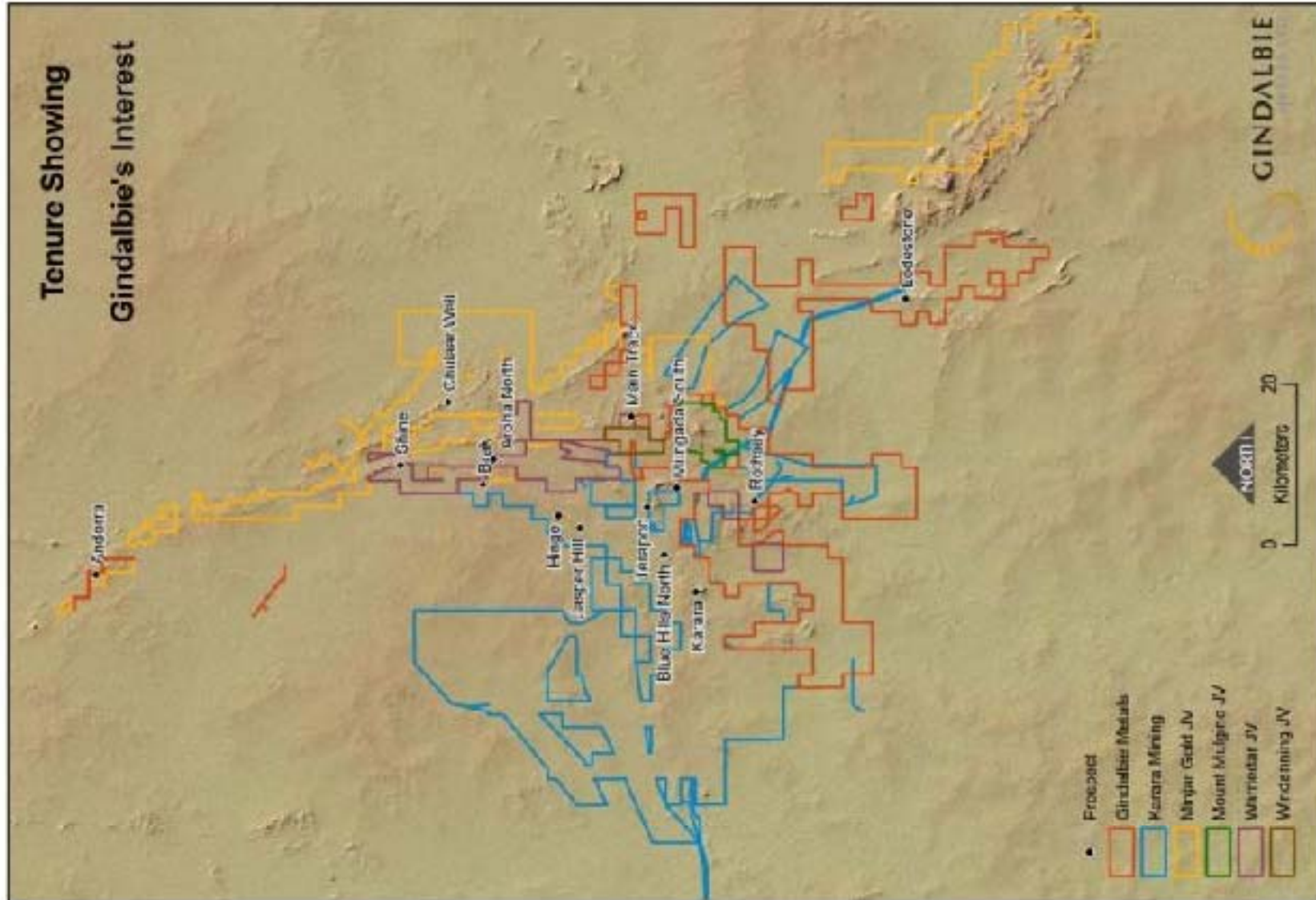
Karara Process Flow Sheet

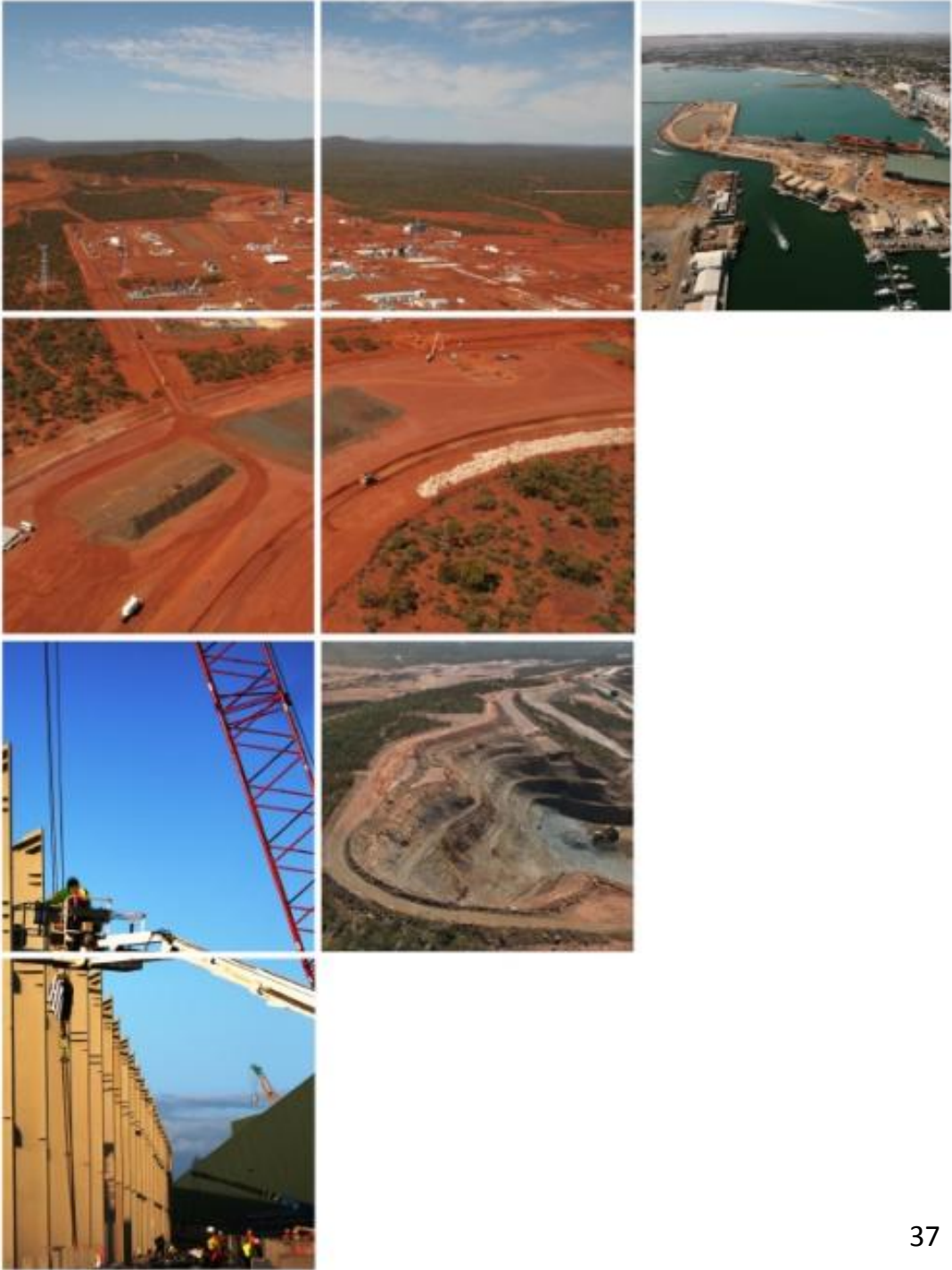


Karara Process Flow Sheet



Gindalbie's Mid West Interest





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Corporate Affairs &
Investor Relations Manager

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