

UPDATE ON WARRIEDAR JV PURCHASE

Gindalbie Metals Limited (ASX: **GBG** – “Gindalbie”) advises the market that settlement of the full acquisition of the **Warriedar Iron Ore Joint Venture** from Royal Resources Limited (ASX: **ROY**) (*see ASX announcement 14 July 2011*) has been delayed pending clarification of a pre-emptive right claim by Minjar Gold Pty Ltd in respect of Royal’s 40% interest in the Warriedar Iron Ore Joint Venture. The contractual basis for asserting the existence of the pre-emptive right has yet to be specified in any detail by Minjar Gold Pty Ltd. Gindalbie will remain in discussions with all parties and will update the market as appropriate in due course.

ENDS

Released by :

Nicholas Read
Read Corporate
Telephone: (+61-8) 9388 1474
Mobile: (+61) 419 929 046

On behalf of:

Mr Tim Netscher
Managing Director & CEO

Mr Michael Weir
Investor Relations Manager
Telephone: (+61-8) 9480 8700
www.gindalbie.com.au