

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 2011

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (9 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for		
(a) exploration & evaluation	(500)	(1,407)
(b) development	(84,869)	(237,649)
(c) production	(1,245)	(3,390)
(d) administration	(5,136)	(8,772)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	4,593	7,896
1.5 Interest and other costs of finance paid	-	(268)
1.6 Income taxes paid	-	-
1.7 Management fee & labour recovery income	82	418
1.8 Other income	-	10
Net Operating Cash Flows	(87,075)	(243,162)
Cash flows related to investing activities		
1.9 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(3,071)	(4,617)
1.10 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	4
1.11 Loans to other entities	(5,521)	(5,521)
1.12 Loans repaid by other entities	-	-
1.13 Payment of joint venture subscription	-	-
Net investing cash flows	(8,592)	(10,134)
1.14 Total operating and investing cash flows (carried forward)	(95,667)	(253,296)

+ See chapter 19 for defined terms.

For personal use only

Appendix 5B
Mining exploration entity quarterly report

1.15	Total operating and investing cash flows (brought forward)	(95,667)	(253,296)
Cash flows related to financing activities			
1.16	Proceeds from issues of shares, options, etc.	-	76,580
1.17	Proceeds from sale of forfeited shares	-	-
1.18	Proceeds from borrowings	103,871	236,483
1.19	Repayment of borrowings	-	-
1.20	Dividends paid	-	-
1.21	Capital raising costs	(48)	(1,172)
1.22	Payments for cash backing of performance bonds	(20,002)	(37,239)
Net financing cash flows		83,821	274,652
Net increase (decrease) in cash held		(11,846)	21,356
1.23	Cash at beginning of quarter/year to date	251,635	219,949
1.24	Exchange rate adjustments to item 1.23	762	(754)
1.25	Cash at end of quarter	240,551	240,551

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	478
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	453
	Consulting fees	25

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

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	579,654	236,483
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	1,603
4.2 Development	148,159
4.3 Production	8,377
4.4 Administration	2,011
Total	160,150

Reconciliation of cash

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	73,743	53,887
5.2 Deposits at call	166,808	197,748
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.25)	240,551	251,635

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	P59/1916	Withdrawn	100%	0%
6.2 Interests in mining tenements acquired or increased	P59/1915	Granted	0%	100%

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

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 +Ordinary securities	935,215,590	935,215,590		
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>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				

+ See chapter 19 for defined terms.

For personal use only

7.7	Options <i>(description and conversion factor)</i>	<i>Vested Employee Options</i>		<i>Exercise price</i>	<i>Expiry date</i>
		2,500,000	Nil	60 cents	6 November 2011
		1,000,000	Nil	\$1.31	1 August 2012
		800,000	Nil	90 cents	1 August 2012
		1,500,000	Nil	94 cents	1 August 2012
		200,000	Nil	\$1.84	30 September 2013
		<i>Non Vested Employee Options</i>			
		100,000	Nil	\$1.84 (Vest 21/7/11)	30 September 2013
		250,000	Nil	\$1.14 (Vest 1/7/11)	08 October 2015
		250,000	Nil	\$1.14 (Vest 31/12/11)	08 October 2015
		250,000	Nil	\$1.14 (Vest 28/2/12)	08 October 2015
		250,000	Nil	\$1.14 (Vest 31/3/12)	08 October 2015
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Lapsed during quarter	400,000	Nil	90 cents	1 August 2012
7.11	Debentures <i>(totals only)</i>				
7.12	Unsecured notes <i>(totals only)</i>				

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:


.....
(Director/Company secretary)

Date: 15/09/2011

Print name:

GARRET DIXON
.....

+ See chapter 19 for defined terms.

For personal use only

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 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

=====

For personal use only