



Allens Arthur Robinson

Date 7 March 2007

ABN 47 702 595 758

Page 1 of 4

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From Allens Arthur Robinson

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Dear Sirs

**Notice of Initial Substantial Holder:
Gindalbie Metals Limited (ASX:GBG)**

In accordance with section 671B of the *Corporations Act 2001* (Cth), we attach a 'Notice of initial substantial holder' (Form 603) in respect of Gindalbie Metals Limited on behalf of the Ospraie entities referred to in the notice.

Yours sincerely



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Attach

Our Ref BZOM:RDSM:305692912

wzam A0108216686v1 305692912 7.3.2007

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Form 603
Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Name/Scheme Gindalbie Metals Limited

ACN/ARSN 060 857 814

1. Details of substantial holder (1)

Name Ospraie Management, LLC (and the Ospraie entities referred to in paragraph 3 below) (Ospraie)

ACN/ARSN (if applicable) _____

The holder became a substantial holder on 05/03/07

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)*
Fully paid ordinary	22,003,281	22,003,281	5.04%

* Based on total ordinary shares on issue of 436,294,400.

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
The Ospraie Portfolio Ltd. and its major shareholders The Ospraie Fund, L.P. and The Ospraie Intermediate Fund, Ltd.	The Ospraie Portfolio Ltd. is the beneficial owner. The major shareholders named each hold more than 20% of the shares in The Ospraie Portfolio Ltd. and, as a result, each have a relevant interest by operation of section 608(3) of the Corporations Act.	19,695,393 fully paid ordinary shares
Ospraie Special Opportunities Master Holdings Ltd and its major shareholders (Ospraie Special Opportunities L.P. and Ospraie Special Opportunities (Offshore) Master L.P.)	Ospraie Special Opportunities Master Holdings Ltd is the beneficial owner. The major shareholders named each hold more than 20% of the shares in Ospraie Special Opportunities Master Holdings Ltd and, as a result, each has a relevant interest by operation of section 608(3) of the Corporations Act.	2,307,888 fully paid ordinary shares
Ospraie Management, LLC	Ospraie Management, LLC is the investment manager for The Ospraie Portfolio Ltd. and, as such, has the power to control voting and/or the disposal of the shares held by it. In addition, by operation of section 608(3) of the Corporations Act, Ospraie Management, LLC has a relevant interest in the shares in which Ospraie Advisors LP has a relevant interest.	22,003,281 fully paid ordinary shares. This is the aggregate of the shares listed above.
Ospraie Advisors L.P. (and its general partner, Ospraie Advisors, LLC)	Ospraie Advisors L.P. is the investment manager for Ospraie Special Opportunities Master Holdings Ltd and as such, has the power to control voting and/or the disposal of the shares held by them.	2,307,888 fully paid ordinary shares. This is the aggregate of the votes listed for Ospraie Special Opportunities Master Holdings Ltd.

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (B)	Class and number of securities
Ospraie	Westpac Custodian Nominees Limited.	The Ospraie Portfolio Ltd.	18,695,393
Ospraie	Westpac Custodian Nominees Limited	Ospraie Special Opportunities Master Holdings Ltd	2,307,888

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (B)		Class and number of securities
		Cash	Non-cash	
Ospraie	07/02/07	\$54,658.70 (or 59.5 cents per share)		91,860
Ospraie	08/02/07	\$42,577.53 (or 59.06 cents per share)		72,092
Ospraie	26/02/07	\$420,740.48 (or 56.93 cents per share)		739,048
Ospraie	28/02/07	\$311,257.10 (or 52.67 cents per share)		590,957
Ospraie	01/03/07	\$114,134.62 (or 52.87 cents per share)		219,878
Ospraie	02/03/07	\$86,470.76 (or 50.73 cents per share)		190,165
Ospraie	06/03/07	\$287,743.87 (or 47 cents per share)		612,221

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
Ospraie	See paragraph 3 above.

7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Ospraie	c/o Ospraie Management, LLC 320 Park Avenue 27 th Floor New York, NY 10022 United States of America

Signature

print name

KIRK RULE

capacity

CHIEF
COMPLIANCE
OFFICER

sign here

Kirk Rule

date

06/03/07

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
- (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown."
- (9) Details of the consideration must include any and all benefits, moneys and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.