



## ASX Circular

**Date:** 19 July 2011

**Key topics**

1. Gindalbie Metals Limited
2. Accelerated Non Renounceable Entitlement Offer
3. ASX Code: GBG

**Reading List**

Client Advisers  
 Compliance Managers  
 DTR Operators  
 Institutions  
 ASX Settlement Participants  
 Office Managers  
 Operations Managers (back office)  
 Research Analysts  
 ASX Clear Participants  
 Market Participants

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No responsibility is accepted for any inaccuracies contained in the matter published.

## GINDALBIE METALS LIMITED - ACCELERATED NON-RENOUNCEABLE ENTITLEMENT OFFER

Participating organisations are advised that on 19 July 2011, Gindalbie Metals Limited (the "Company") announced that it will undertake an 1 for 3 accelerated non-renounceable entitlement offer of ordinary shares at an issue price of \$0.67 per share (the "Offer Price") to raise up to \$209 million (the "Entitlement Offer").

The Entitlement Offer has two components:

- an institutional entitlement offer, of approximately \$109 million, under which offers will be made to eligible institutional shareholders for them to apply for their pro-rata entitlement (the "Institutional Entitlement Offer"). Eligible institutional shareholders that do not take up their entitlement, and institutional shareholders that are ineligible to participate in the Institutional Entitlement Offer, will have their entitlements offered to other institutional investors, with the exception of Angang Group Hong Kong (Holdings) Limited's ("Ansteel") proportional entitlement which is 35.92%; and
- a retail entitlement offer, of approximately \$90 million, under which offers will be made to eligible retail shareholders for them to apply for their pro-rata entitlement ("Retail Entitlement Offer").

The Entitlement Offer is partially underwritten.

The Ansteel entitlement proportion of 35.92% is not being underwritten.

If Ansteel cannot take up their entitlement in the timeframe provided, due to delays in obtaining regulatory approvals, their entitlement will not be otherwise offered. If this occurs, the Company contemplates obtaining shareholder approval for a placement to Ansteel for the shares they would have otherwise taken up under the Entitlement Offer at the Entitlement Offer price.

The record date for the Entitlement Offer is Friday, 22 July 2011 (7.00 pm AEST).

The Retail Entitlement Offer is expected to close on Friday, 12 August 2011.

The Company will ignore changes in security holdings which occur after the commencement of the trading halt on Tuesday, 19 July 2011 (other than registrations of transactions which were effected through ITS before the commencement of the trading halt).

New shares issued under the Entitlement Offer will rank equally with existing shares.

The anticipated timetable in relation to the Entitlement Offer is set out below.

Date	Event
19 July 2011	Company obtains Trading Halt on ASX Announcement of Entitlement Offer Disclosure Materials issued Institutional Entitlement Offer opens
20 July 2011	Institutional Entitlement Offer closes Institutional Bookbuild opens
20 July 2011	Institutional Bookbuild closes
21 July 2011	Company announces results of Institutional Offer to ASX (including price if determined pursuant to the Bookbuild) Trading resumes on an ex entitlement basis
22 July 2011	Record Date 7.00pm
29 July 2011	Despatch of Retail Entitlement Offer Document Retail Entitlement Offer opens
2 August	Settlement of the Institutional Entitlement Offer
3 August 2011	Company completes allotment and issue of Institutional Offer Shares under Institutional Entitlement Offer (apart from Ansteel component) Shares issued under Institutional Entitlement Offer commence trading on ASX (normal basis)
12 August 2011	Retail Entitlement Offer closes
16 August 2011	Retail Entitlement Offer Shortfall Notification Date [ASX release]
19 August 2011	Settlement of the Retail Entitlement Offer
22 August 2011	Issuers complete allotment and issue of Retail Entitlement Offer Shares Issuers announce results of Retail Entitlement Offer to ASX
23 August 2011	Shares issued under the Retail Entitlement Offer commence trading on ASX (normal basis)

### Settlement issues

Despite the fact that securities are trading "ex entitlement" on ITS, CHES will not recognise for settlement purposes the "ex entitlement" or the "cum entitlement" tag on CHES messages and CHES will not maintain cum balances during the deemed "CHES ex-period", i.e. the period commencing on the deemed CHES Ex-Date up to and including the record date. However, a record date cum balance will be available the business day following the record date, which will be equal to the registered holding balance at CHES end of day on the record date. As a result any transfer that occurs prior to record date will be effectively transferred on a "cum" basis.

Therefore, Participants must ensure that any transfer, including the priming of Broker Entrepot Accounts, is conducted in accordance with the basis of quote. For example, a transfer in relation to a transaction conducted on an ex-basis should ordinarily only occur post record date.

CHES will perform automatic diary adjustments to "cum entitlement" settlement obligations outstanding as at the record date.

### Trading issues

ASX will not price a "cum" market with respect to trading in the Company's securities. Persons who acquire the Company's securities after the commencement of the trading halt on Tuesday 19 July 2011 are not entitled to participate in the Entitlement Offer.

### Further information

For further details, please refer to the Company's recent announcements.