



GINDALBIE

METALS LTD
ABN 24 060 857 614

Level 9, London House
216 St Georges Terrace
PERTH WA 6000

PO Box 7200
CLOISTERS SQUARE WA 6850

Tel: (+61) 8 9480 8700
Fax: (+61) 8 9480 8799

www.gindalbie.com.au

SECURITIES EXCHANGE ANNOUNCEMENT

7 December 2007

MARKET SPECULATION

Gindalbie Metals Ltd (ASX:GBG) is aware of recent media commentary suggesting that Gindalbie is in discussions with Midwest Corporation Limited regarding a potential takeover proposal, and further that Gindalbie's Karara Iron Ore Project is dependent upon the railway and port infrastructure proposed for Oakajee.

Gindalbie seeks to clarify to the market that it is not in discussions with Midwest Corporation Limited regarding a takeover proposal, and further that Gindalbie's stage 1 development of the Karara Iron Ore Project is not dependent upon the development of Oakajee or its related infrastructure.

David Stokes
Company Secretary

- ENDS -

Contact:
Mr Garret Dixon/Mr Darren Gordon
Managing Director/Chief Financial Officer
Telephone: (+61-8) 9480-8700