

# MEDIA RELEASE

9 December 2010

**Gondwana**  
RESOURCES LIMITED

## CENTENARY DRILLING RESULTS

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### Highlights

- Centenary Eastern BIF drilling intersected **7m @ 8.98 g/t Au** from 63m vertical depth including **1m @ 54.64 g/t** in hole 09CTRC001, **4m @ 10.87 g/t Au** from 23m vertical depth in hole 10CTRC012, **5m at 4.78 g/t Au** from 77m vertical depth in hole 10CTRC014 and **9m @ 2.19 g/t Au** in hole 10CTRC009
  - Centenary Shear drilling intersected **12m @ 4.43g/t Au** including **2m @ 12.67 g/t** from 16m vertical depth in hole 10CTRC009 and **1m @ 35.44 g/t Au** from 35m in hole 10CTRC013
  - Hole 10CTRC009 intersected a combined true thickness of mineralisation of 20.4m through the Centenary Shear and the Eastern BIF
  - Mopoke exploration drilling at intersected 6m @ 1.63 g/t, 5m @ 1.04 g/t and 7m @ 2.96 g/t down dip of outcropping quartz
  - Mopoke quartz vein rock chip sampling extends anomalous zone of gold with best results of 3.77 g/t (10MPRK042) and 2.66 g/t (10MPRK037)
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### Centenary Prospect

(Gondwana 100%)

#### 2010 phase 2 drill program

Gondwana Resources Limited (**Gondwana**) is pleased to announce that all holes drilled in the recently-completed RC drilling program at its Centenary Prospect successfully intersected mineralisation.

An RC drilling program of 8 holes for 518m has recently been completed at the Centenary Prospect and assay results have just been received. The program was designed to target the Eastern BIFs at depth, to in-fill the Centenary Shear and to close-off mineralisation to the southwest.

- Four holes were drilled in to the Centenary Shear and Eastern BIFs, with underground stopes intersected in 2 of the 4 holes
- Two holes from the 2009 RC program were re-entered and extended to the Eastern BIFs
- Three holes were drilled to the south of known mineralisation to attempt to close-off mineralisation along the Eastern BIFs
- A single hole was drilled from the western high-grade vein through all lode positions to the Eastern BIFs

The four RC holes (10CTRC007 – 009 and 10CTRC013) designed to infill the Centenary shear and Eastern BIFs included hole 10CTRC009 which intersected **12m @ 4.43 g/t (inc 2m @ 12.67 g/t from 16m)** in supergene enriched clay in the Centenary shear and **9m @ 2.19 g/t** in the Eastern BIFs. In total, 10CTRC009 intersected 24m of +1g/t material which equates to a combined true thickness of mineralisation of 20.4m.

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Other infill holes in the area intersected narrower zones of mineralisation including **1m @ 35.44 g/t** (from 35m – 10CTRC013) from the Centenary Shear and **4m @ 3.29 g/t** (33m vertical depth – 10CTRC007) and **4m @ 6.4 g/t** (from 61m – 10CTRC013) from the Eastern BIFs. RC drilling indicates that a large portion of the Centenary Shear Lode has been stoped to a depth of 10 – 15m from surface, with 10CTRC007 and 10CTRC008 intersecting partially filled stopes of approximately 3m width. Mineralised veins of +2g/t in the Centenary Shear Lode were encountered in holes 10CTRC008, 10CTRC009 and 10CTRC013.

Two holes, 09CTRC001 and 09CTRC004, were re-entered and extended to intersect the Eastern BIFs at depth. These were successful, with 09CTRC001 intersecting **7m @ 8.98 g/t (inc. 1m @ 54.64 g/t – 63m vertical depth -** and 09CTRC004 intersecting **8m @ 1.48 g/t** (66m vertical depth).

A single hole 10CTRC014 was drilled to intersect all three zones of mineralisation, returning results of **3m @ 2.13 g/t** and **2m @ 1.35 g/t** from the western BIF (~30m vertical depth), **4m @ 2.5 g/t** (58m vertical depth) from the Centenary Shear and **5m @ 4.78 g/t** (77m vertical depth) from the Eastern BIF.

### ***Mineralisation open to the south***

Based on 2009 drilling, it was believed that significant mineralisation did not extend far to the south from the area of intensive drilling. Accordingly, in the current drill campaign, three holes **10CTRC010 – 012** were drilled immediately to the north and down dip of 09CTRC013 to attempt to close-off mineralisation to the south. Results include **4m @ 10.87 g/t (inc. 2m @ 19.17 g/t – 10CTRC012** at 23m vertical depth), **6m @ 3.47 g/t (inc. 2m @ 7.3 g/t – 10CTRC011** at 32m Vertical depth) and **3m @ 3.38 g/t** (10CTRC010 at 55m vertical depth). Holes 10CTRC010 – 012 were drilled oblique to the mineralisation to avoid open stopes on the Centenary Shear and as such, the true width of mineralisation is approximately 85% of the downhole widths. These results indicate that 2009 drilling, which intersected **3m @ 1.79 g/t** in hole 09CTRC013, encountered an area of depletion approximately 18m below surface. This is supported by the presence of a series of shallow open stopes and shafts extending a further 80m southwest of holes 10CTRC010 – 012. If this is correct, mineralisation along the Eastern BIFs remains open to the southwest beneath the zone of depletion and may extend for 80m or more along strike.

### ***Follow-up program***

Based on the encouraging results from the current drill campaign, it is now planned to drill the southern part of the Eastern BIFs on completion of a resource model and economic assessment of the currently known mineralisation at the Centenary prospect.

### ***Re-assay of coarse gold samples***

During the current drill campaign, coarse gold was panned from two intervals, 10CTRC010 at 25 – 26m, and 10CTRC014 at 32 – 33m (*figures 1 and 2*). These two zones correspond to the locations of the Centenary Shear Lode and High-grade Western Vein lode positions respectively. Assay results from these two sample intervals were significantly less than expected (6.36 g/t and 4.87 g/t respectively), and the Company now intends to conduct screen fire assays on +1kg samples for all intervals suspected of containing coarse gold.

## **Centenary exploration background**

The Centenary prospect is located on the Parker Range BIF sequence, and the prospect area contains three westerly dipping mineralised zones, the **Western BIFs**, the **Centenary Shear**, and the **Eastern BIFs**. Mineralisation along both the Eastern and Western BIFs is in the form of sulphide replacement within the BIFs and local quartz filled shears along the contacts. The Centenary Shear mineralisation occurs as lenticular quartz veins along a zone of shearing within mafic rocks between the two BIFs.

### ***2009 & prior drilling***

Gondwana's previous drilling of the Western BIFs has identified high-grade gold mineralisation in narrow quartz veins on the upper contact (*figure 1*), including **3m @ 167.26g/t Au**, **4m @ 34.28g/t Au**, **1m @ 60.61 g/t Au** (32.43 g/t by screen fire), **1m @ 45.01 g/t Au** (34.19 g/t by screen fire) and **1m @ 13.25 g/t Au**.

**2010 drilling**

150m to the east, significant drill intersects in two phases of RC drilling in 2009 and 2010 delineated a new area of mineralisation called the Eastern BIF (*figures 1 & 2*). The 2010 phase 1 drill program discovered a new gold zone, open down-dip under the high-grade quartz lode intersects referred to above.

The 2010 phase 1 drill program intersected gold mineralisation in Eastern BIFs at shallow to moderate depth, including **8m @ 9.28 g/t from 30m vertical depth including 1m @ 55.83 g/t** in 10CTRC005 and **7m @ 2.07 g/t** from 43m vertical depth 10CTRC006. These results are particularly significant because of the shallow depth of all intersects and the fact the lower stratigraphic eastern BIF has not been previously drill-tested.

The background of Centenary exploration and past results are summarized more fully in the Company's October 2010 Quarterly Report.

**Table 1: Drill intersections from the 2010 phase 2 Centenary RC drilling program**

Hole	East	North	Orientation	From	To	Downhole width m	Grade g/t Au	Mineralised zone
09CTRC001*	746253	6499478	-60/129	71	78	7	8.98	East BIFs
						inc 1m @ 54.64		
09CTRC004*	746223	6499448	-60/129	74	82	8	1.48	East BIFs
10CTRC007	746308	6499458	-60/129	22	24	2	1.39	Centenary Shear
				38	42	4	3.29	East BIFs
10CTRC008	746295	6499443	-60/129	22	23	1	2.30	Centenary Shear
				35	36	1	1.20	East BIFs
				38	42	4	1.12	East BIFs
10CTRC009#	746294	6499444	-90/129	9	11	2	1.31	Centenary Shear
				16	28	12	4.43	Centenary Shear
				inc 2m @ 12.67				
				44	53	9	2.19	East BIFs
10CTRC010#	746253	6499426	-55/164	11	12	1	2.12	Centenary Shear
				25	27	2	3.56	Centenary Shear
				64	67	3	3.38	East BIFs
10CTRC011#	746289	6499381	-70/219	31	37	6	3.47	East BIFs
						inc 2m @ 7.30		
10CTRC012#	746289	6499379	-55/179	26	30	4	10.87	East BIFs
						inc 2m @ 19.17		
10CTRC013#	746269	6499441	-90/129	35	36	1	35.44	Centenary Shear
				55	58	3	1.30	East BIFs
				61	65	4	6.40	East BIFs
10CTRC014	746217	6499481	-60/129	31	34	3	2.13	West BIFs
				40	42	2	1.35	West BIFs
				67	71	4	2.50	Centenary Shear
				91	96	5	4.78	East BIFs

\* Re-entry and extension of a 2009 hole

# Oblique Holes - True thickness is approximately 85% of the width shown above

0.5g/t lower cut and composite grade > 1 g/t, maximum 2m internal dilution, all samples analysed using Fire Assay on a 50g charge by Genalysis Laboratory Services.

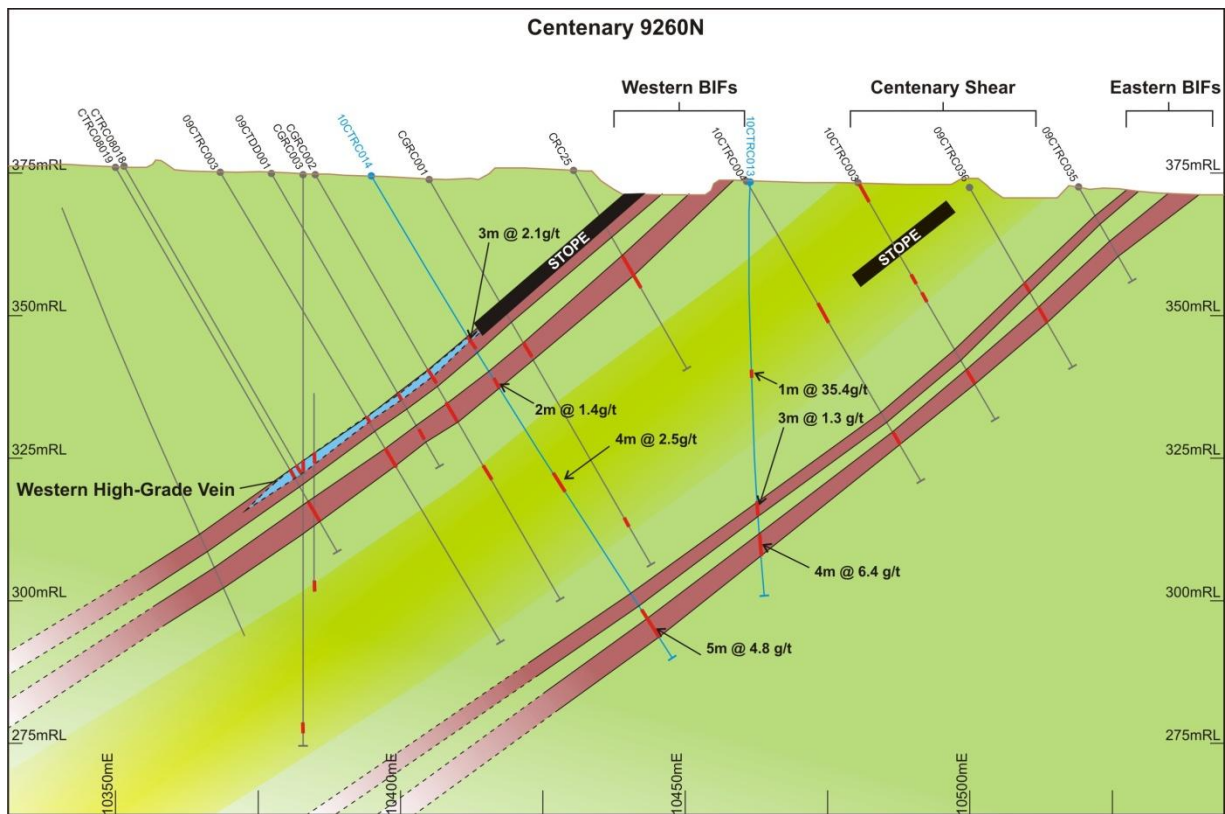


Figure 1: Cross-section 9260N through the Centenary area showing the geometry of the zones and previous mineralised intersections as well as current drilling (section facing local grid north).

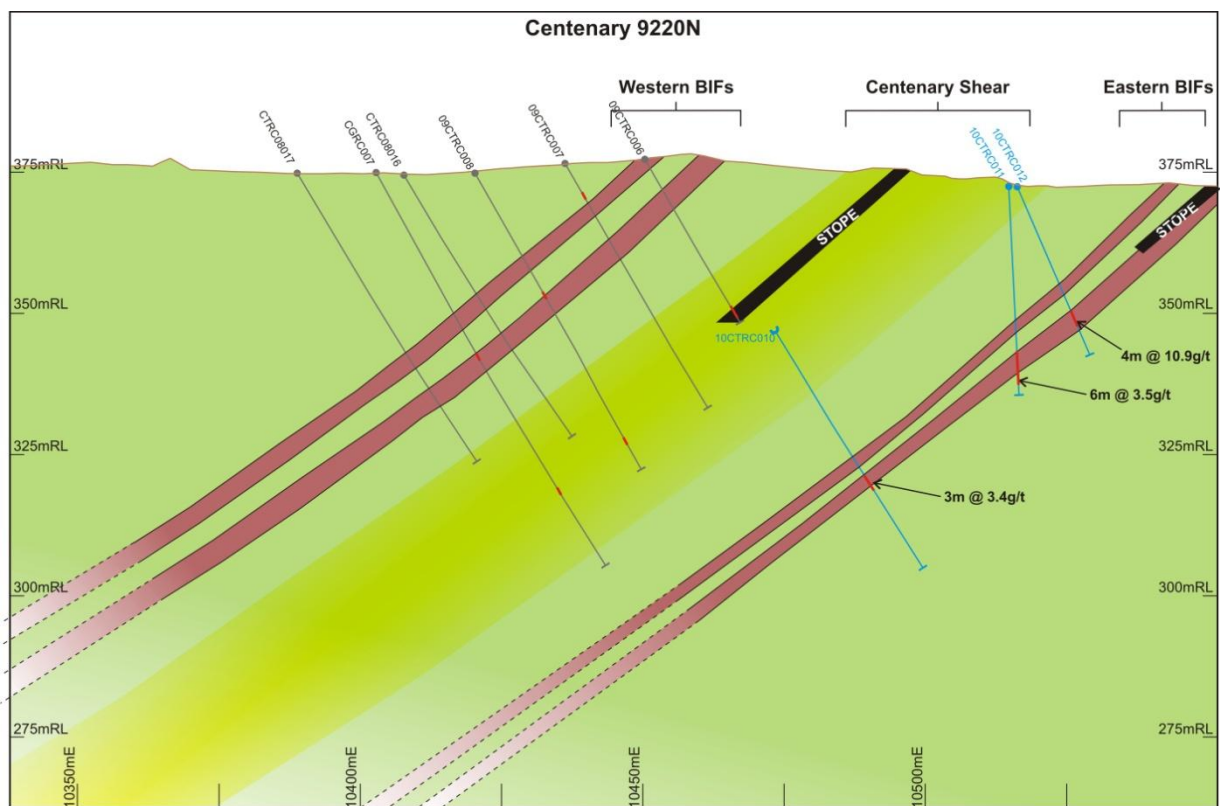


Figure 2: Cross-section 9220N through the Centenary area showing the geometry of the zones and previous mineralised intersections as well as current drilling (section facing local grid north).

## Mopoke Exploration

(P77/3696 – Gondwana 100%; M77/561 – Gondwana 70%)

### Exploration RC Drilling



**Figure 3: Mopoke quartz lode is the white/yellow outcrop in the centre of the 5m deep open cut pit**

In the October quarter, a rock chip sampling program was undertaken at the Mopoke historic gold workings, 850m south east of the Buffalo gold deposit. Historic reports detail small-scale mining of translucent quartz veins, suspected to be quartz lodes infilling along a shear zone.

A large quartz blow (*figure 3*), up to 3m wide, in the base of the southernmost pit was grid sampled at approximately 1m spacing (11 samples) and assayed up to 72.7 g/t (10MPRK015).

An RC drilling program was designed to target the area around the high-grade rock chip samples, and to test an area of quartz approximately 380m to the north of the Mopoke pit.

Gondwana is pleased to announce that the three holes targeting the quartz lode yielding high-grade rock chip samples encountered encouraging widths of low grade mineralisation. Hole **10MPRC001**, drilled oblique to the vein, encountered two intervals of quartz measuring 7m and 5m in downhole width (at this stage the true width of the veins is unknown). The wider of these two quartz intersections and its immediate contacts has yielded two intersections; **3m @ 1.47 g/t** (11m vertical depth) on the Western contact and **6m @ 1.63 g/t** (17m vertical depth) within and on the eastern contact. Hole **10MPRC002**, also drilled oblique to the apparent trend of the vein yielded a single intersection of quartz with a down hole width of 4m and a corresponding grade intersection of **5m @ 1.04 g/t** (24m vertical depth). **10MPRC003**, drilled approximately 15m to the north failed to intersect significant quartz, however small amounts of quartz (<10%) were evident from 16 – 35m down hole. An intersection of **7m @ 2.96 g/t (inc. 1m @ 7.92 – 27m vertical depth)** is believed to be related to quartz stringers.

Two RC holes (10MPRC004 and 005) were drilled to the north of Mopoke to test an area of quartz outcrop with a strike length in excess of 70m that yielded a value of 1.63 g/t from a single rock chip, and was intersected by a single historic RAB hole with a result of 8m @ 1.34 g/t (two 4m composite samples). Both RC holes failed to intersect the quartz vein system at depth, and a review of the possible orientation of the quartz vein, including surveying of the historic RAB hole location, is underway so that future drilling will intersect the vein system. Low grade mineralisation is evident in laterite at surface, and as a single 1m intersection in quartz stringers in 10MPRC004 (1m @ 0.6 g/t).

### Mopoke North rock chip sampling

As well as undertaking exploration RC drilling at Mopoke North, a total of 12 rock chip samples were taken from outcropping quartz veins over a strike length of 50m.

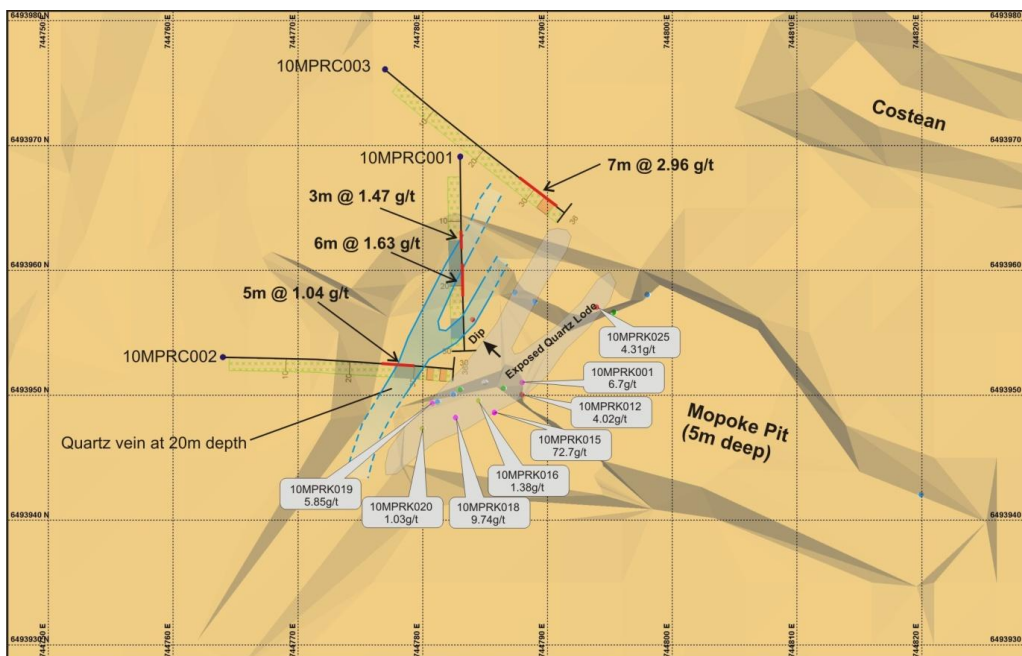
The samples were taken from outcrop 25m east of 10MPRC004 and 005 (*figure 5*). Results of the sampling program extend the zone of anomalous gold in the northern part of the vein system over a strike of 70m. Of the 12 samples collected for analysis, 3 returned anomalous results: 3.77 g/t (10MPRK042), 2.66 g/t (10MPRK037) and 0.97 g/t (10MPRK035) (*all results shown in table 3*). While the sampling results were lower than those from the southern part of the vein system, the presence of anomalous gold in the northern extension of the system has been confirmed.

A full assessment of rock chip and RC drilling results will be undertaken before proceeding with further work at Mopoke.

**Table 2: Drill intersections from the 2010 Mopoke RC drilling program**

Hole	East	North	Orientation	From (m)	To (m)	Downhole width	Grade (g/t)
10MPRC001 <sup>#</sup>	744784	6493969	-60/180	11	14	3	1.47
				16	22	6	1.63
10MPRC002 <sup>#</sup>	744763	6493953	-60/090	10	11	1	0.56
				25	30	5	1.04
				32	33	1	0.54
10MPRC003	744778	6493975	-60/130	28	35	7	2.96
						Inc. 1m @ 7.92 g/t	
10MPRC004	744918	6494284	-60/120	0	1	1	0.85
				6	7	1	0.9
				12	13	1	0.6
10MPRC005	744907	6494268	-60/120	0	2	2	0.55

<sup>#</sup> Oblique Holes - True thickness is approximately 75% of the width shown above; 0.5g/t lower cut composite, maximum 2m internal dilution; all samples analysed using Fire Assay on a 50g charge by Genalysis Laboratory Services.



**Figure 4: A survey of the Mopoke pit area showing the outcropping quartz lode, rock chip results and the possible sub-surface extension of the quartz lode as suggested by the recent RC drilling.**

**Table 3: Results of rock chip sampling of the Mopoke North vein system**

Sample ID	Easting (m)	Northing (m)	Grade (g/t)
10MPRK034	744940	6494279	-0.01
<b>10MPRK035</b>	<b>744934</b>	<b>6494276</b>	<b>0.97</b>
10MPRK036	744931	6494272	0.02
<b>10MPRK037</b>	<b>744932</b>	<b>6494267</b>	<b>2.66</b>
10MPRK038	744936	6494262	-0.01
10MPRK039	744931	6494263	0.01
10MPRK040	744932	6494261	-0.01
10MPRK041	744928	6494263	-0.01
<b>10MPRK042</b>	<b>744926</b>	<b>6494261</b>	<b>3.77</b>
10MPRK043	744928	6494257	-0.01
10MPRK044	744927	6494254	-0.01
10MPRK045	744923	6494256	0.06

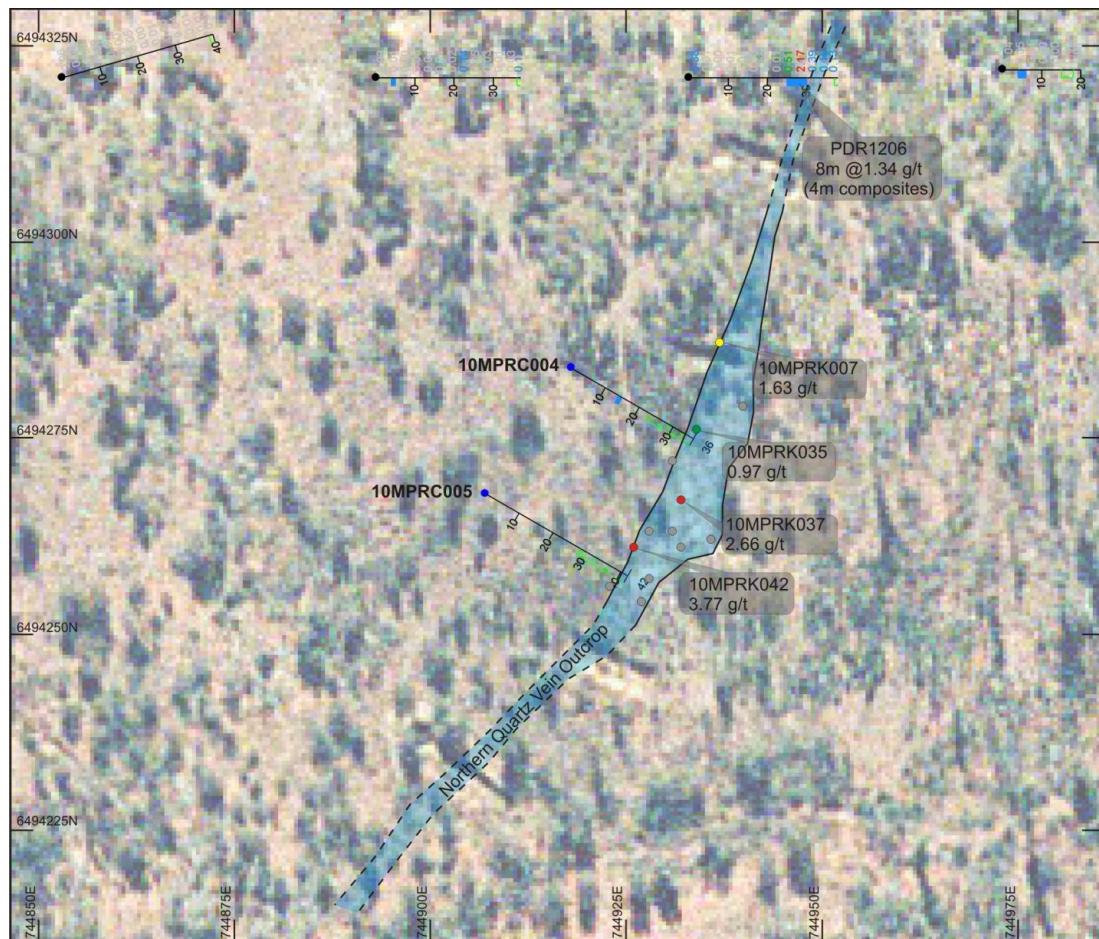


Figure 5: A map of the Mopoke North area showing the outcropping quartz lode, rock chip results and the recent RC drilling. Also shown is a historic RAB intersection to the north of the RC drilling.

## Contact

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## Competent Person Statement

*The technical information in this report that relates to Exploration Results is based on information compiled by Mr. Grant Donnes who is a Member of the Australian Institute of Geoscientists. Mr. Donnes has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Donnes consents to the inclusion in this Report of the matters based on his information in the form and context in which it appears. Mr Donnes is a self employed consultant to the Company.*