

MEDIA RELEASE

23 June 2011

Gondwana
RESOURCES LIMITED

RARE EARTHS EXPLORATION

Highlights:

- Significant Rare Earth Elements (REE) discovered in reconnaissance geochemical survey at Trigg Hill Rare Earths Prospect, East Pilbara WA.
- Maximum soil sample grade of 0.132% total REE; 3 samples grading +0.1% total REE.
- Program indicates a REE pegmatite source within the Trigg Hill tenement.
- Detailed geochemical survey being planned prior to drill testing anomalous zones.

Trigg Hill Project, East Pilbara

(E45/3437 – Gondwana 90%)

Rare Earths are in demand with the world prices trending upwards. The Trigg Hill pegmatite project is an historic Tantalum – Yttrantalite alluvial mining district dating back to 1979. This tenement has recently been granted and the Company's historic research indicates a zoned, tantalum and rare earth pegmatite over an area approximately 200m x 10m in size (reference page 6, WAMEX open file report a14989) which remains undrilled.



Figure 1:
Soil & rockchip sampling of pegmatites

The historically mapped zoned pegmatites have previously been partially mined in the near surface. The area thought to contain the primary mineralisation source has been scraped and shallow backfill covers the pegmatites in these zones.

A reconnaissance rock chip sampling program has just been completed across the central tenement area. Stream, soil and rock samples were collected by the Company's geologists from 53 representative sites across the target area surrounding the previously mined area.

The geochemical assay results show a number of REE anomalous zones in soils with primary metal values up to **758ppm Yttrium** in sample (11THSS003) containing **1322ppm (0.132%) total REE metal grade**, which is strongly anomalous in soil sampling (*refer to Table 1*).

Drill testing of the disturbed areas will be required to test the primary REE grade. A detailed sampling program is currently being designed and this will be carried out prior to drill testing of the anomalous zones.

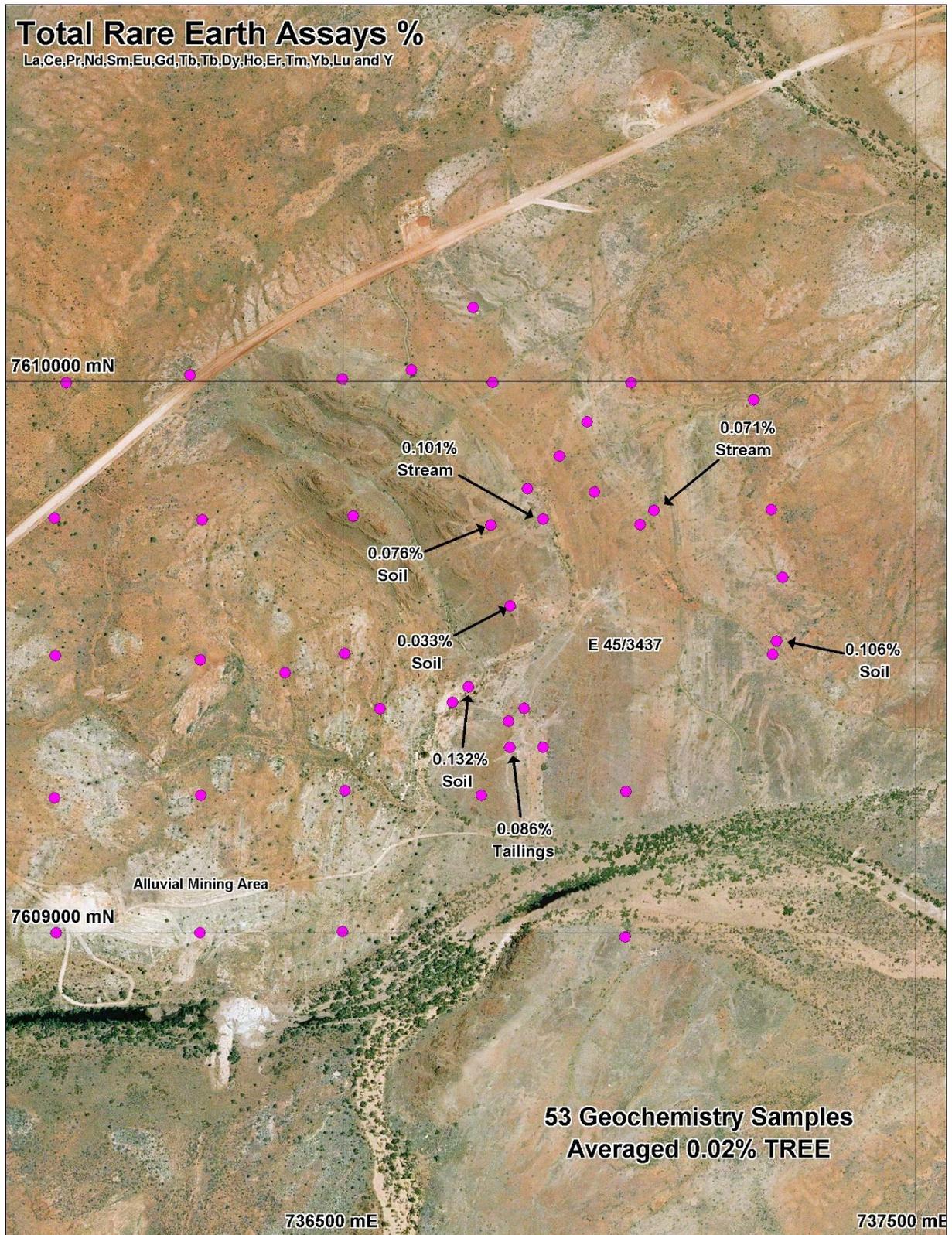


Figure 2: Soil, stream & rock chip sample locations at Trigg Hill with significant REE grades

Trigg Hill assay results

The Total Rare Earth Element (TREE) grade is calculated by adding the concentrations of the following elements La + Ce + Pr + Nd + Sm + Eu + Gd + Tb + Tb + Dy + Ho + Er + Tm + Yb + Lu and Y.

Significant assays are listed in Table 1 (see Appendix).

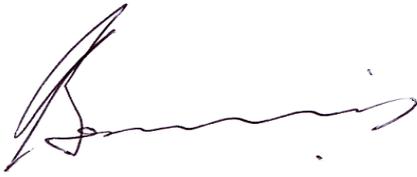
TREE (ppm) grade is shown in the last column of Table 1 and averages 0.02% over 53 samples. Maximum grade is **758ppm Yttrium** in sample 11THSS003 containing **1322ppm (0.132%) total REE metal grade**.

Trigg Hill follow up work

A detailed sampling program is currently being designed. This program will be carried out prior to drill testing of the anomalous zones to test the primary REE grade.

Contact

For further information, please contact Grant Donnes or Syd Morete on phone (08) 9388 9961 or send an email to info@gondwanaresources.com.



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Competent Person Statement – Exploration Results

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.

Appendix: Table 1

Table 1: Significant REE Soil Results with average of 53 samples 0.02% TREE

Sample ID	Type	GDA E	GDA N	Ce	Dy	Er	Eu	Gd	Ho	La	Lu	Nd	Pr	Sm	Tb	Tm	Y	Yb	Total REE (ppm)
11THRK005	Tailings	736791	7609336	131.06	25.56	25.91	0.47	14.39	6.05	34.01	11.828	56.59	17.927	17.47	3.488	6.83	434.78	75.12	861.48
11THSS002	Soil	736792	7609593	27.57	12.26	16.84	0.21	4.52	3.46	7.24	7.918	8.74	2.375	3.53	1.38	4.49	177.72	47.5	325.75
11THSS003	Soil	736719	7609446	164.3	40.01	33.23	0.65	24.74	8.38	30.13	15.359	80.84	25.208	30.33	5.887	8.54	758.01	96.77	1322.38
11THSS019	Soil	736758	7609740	45.82	45.59	33.54	0.66	24.72	9.65	12.29	5.969	40.08	7.632	20.28	6.321	6.48	453.28	49.15	761.46
11THSS022	Soil	737258	7609529	88.41	60.06	41.58	0.51	35.3	12.2	25.74	6.975	64.24	13.767	30.11	8.748	7.86	606.45	59.15	1061.10
11THST001	Stream	737043	7609766	207.51	22.43	17.17	1.46	20.52	4.88	87.5	3.6	81.58	22.986	21.85	3.606	3.17	181.64	25.19	705.09
11THST002	Stream	736849	7609751	73.67	51.99	43.78	0.97	27.14	11.58	21.99	10.43	51.43	11.374	23.16	6.974	9.26	592.54	77.77	1014.06
				Ce	Dy	Er	Eu	Gd	Ho	La	Lu	Nd	Pr	Sm	Tb	Tm	Y	Yb	Average TREE (ppm)
Maximum				207.51	60.06	43.78	1.46	35.3	12.2	87.5	15.359	81.58	25.208	30.33	8.748	9.26	758.01	96.77	203.114

Notes:

Samples analysed by Genalysis Laboratory Services

Lab Method is 4 Acid ICP-OES/ICP-MS 64 elements analysis

Average Total REE is averaging all 53 samples and results are in ppm.