



ABN 72 008 915 311

31 July 2012

The Company Announcements Office
Australian Stock Exchange Limited
www.asxonline.com

Dear Sirs

Placement of Shares ("Placement")

The Company wishes to announce the placement of 120,000,000 fully paid ordinary shares at a price of 0.1 cents per share together with 120,000,000 free attaching options on the basis of one option for each share taken up in the Placement. The options are exercisable at a price of 0.1 cents each on or before 30 June 2014.

The Placement has been made in accordance with a resolution of shareholders at the Annual General Meeting of the Company held on 31 May 2012.

The shares will rank pari passu with the existing issued ordinary shares of the Company. The Placement will raise \$120,000 before costs of the issue.

The principal purpose of the Placement is to assist the Company in funding repayment of short term debt, its ongoing exploration programme and general working capital.

An Appendix 3B for the above Placement is attached.

In the event of any queries please contact Mark Killmier or Alana Da Silva on telephone (08) 9388 9961 or email info@gondwanaresources.com

Yours faithfully

A handwritten signature in black ink, appearing to read "Goodsall", is written over a light blue rectangular background.

Paul Goodsall
Director
for Gondwana Resources Limited

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003.

Name of entity

Gondwana Resources Limited

ABN

72 008 915 311

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|---|
| 1 | +Class of +securities issued or to be issued | (1) Ordinary shares (2) Options exercisable at \$0.001 each on or before 30 June 2014 |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 120,000,000 Shares and 120,000,000 Options |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | (1) Ordinary fully paid shares (2) Options exercisable at \$0.001 each on or before 30 June 2014 |

+ See chapter 19 for defined terms.

Appendix 3B

New issue announcement

| <p>4 Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment | <p>The Options are an existing class but will be unquoted (see below).</p> | | | | | | | | |
|---|--|--------|--------------------|---------------|-----------------|-------------|---|-------------|---|
| <p>5 Issue price or consideration</p> | <p>\$0.001 per share, options attaching free.</p> | | | | | | | | |
| <p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p> | <p>The Placement of Shares and Options was made to fund repayment of debt, exploration, and working capital.</p> | | | | | | | | |
| <p>7 Dates of entering ⁺securities into uncertificated holdings or despatch of certificates</p> | <p>31 July 2012 – note that the Options will not be listed until such time as there is a sufficient number of holders (refer to Part 2 below). In the meantime, the holdings will be certificated.</p> | | | | | | | | |
| <p>8 Number and ⁺class of all ⁺securities quoted on ASX (<i>including</i> the securities in clause 2 if applicable)</p> | <table border="1"> <thead> <tr> <th>Number</th><th>⁺Class</th></tr> </thead> <tbody> <tr> <td>1,167,662,956</td><td>Ordinary shares</td></tr> <tr> <td>380,986,270</td><td>Options exercisable at 1 cent each by 30/6/13</td></tr> <tr> <td>365,000,000</td><td>Options exercisable at 0.1 cent each by 30/6/14</td></tr> </tbody> </table> | Number | ⁺ Class | 1,167,662,956 | Ordinary shares | 380,986,270 | Options exercisable at 1 cent each by 30/6/13 | 365,000,000 | Options exercisable at 0.1 cent each by 30/6/14 |
| Number | ⁺ Class | | | | | | | | |
| 1,167,662,956 | Ordinary shares | | | | | | | | |
| 380,986,270 | Options exercisable at 1 cent each by 30/6/13 | | | | | | | | |
| 365,000,000 | Options exercisable at 0.1 cent each by 30/6/14 | | | | | | | | |

⁺ See chapter 19 for defined terms.

| <p>9 Number and ⁺class of all ⁺securities not quoted on ASX (including the securities in clause 2 if applicable)</p> | <table border="1"> <thead> <tr> <th data-bbox="766 246 1069 291">Number</th><th data-bbox="1069 246 1359 291">⁺Class</th></tr> </thead> <tbody> <tr> <td data-bbox="766 291 1069 728">2,500,000</td><td data-bbox="1069 291 1359 728">Fully Paid Ordinary Shares (restricted pursuant to the Gondwana Employee Share Plan)</td></tr> </tbody> </table> | Number | ⁺ Class | 2,500,000 | Fully Paid Ordinary Shares (restricted pursuant to the Gondwana Employee Share Plan) |
|--|---|--------|--------------------|-----------|--|
| Number | ⁺ Class | | | | |
| 2,500,000 | Fully Paid Ordinary Shares (restricted pursuant to the Gondwana Employee Share Plan) | | | | |
| <p>10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)</p> | <p>None</p> | | | | |

Part 2 - Bonus issue or pro rata issue

N/A

| | |
|---|--|
| <p>11 Is security holder approval required?</p> | |
| <p>12 Is the issue renounceable or non-renounceable?</p> | |
| <p>13 Ratio in which the ⁺securities will be offered</p> | |
| <p>14 ⁺Class of ⁺securities to which the offer relates</p> | |
| <p>15 ⁺Record date to determine entitlements</p> | |
| <p>16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?</p> | |
| <p>17 Policy for deciding entitlements in relation to fractions</p> | |
| <p>18 Names of countries in which the entity has ⁺security holders who will not be sent new issue documents</p> <p><small>Note: Security holders must be told how their entitlements are to be dealt with.</small></p> <p><small>Cross reference: rule 7.7.</small></p> | |

+ See chapter 19 for defined terms.

Appendix 3B

New issue announcement

| | | |
|----|---|--|
| 19 | Closing date for receipt of acceptances or renunciations | |
| 20 | Names of any underwriters | |
| 21 | Amount of any underwriting fee or commission | |
| 22 | Names of any brokers to the issue | |
| 23 | Fee or commission payable to the broker to the issue | |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders | |
| 25 | If the issue is contingent on +security holders' approval, the date of the meeting | |
| 26 | Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled | |
| 27 | If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders | |
| 28 | Date rights trading will begin (if applicable) | |
| 29 | Date rights trading will end (if applicable) | |

+ See chapter 19 for defined terms.

- | | | |
|----|--|--|
| 30 | How do +security holders sell their entitlements <i>in full</i> through a broker? | |
| 31 | How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance? | |
| 32 | How do +security holders dispose of their entitlements (except by sale through a broker)? | |
| 33 | +Despatch date | |

Part 3 - Quotation of securities – N/A

You need only complete this section if you are applying for quotation of securities

- 34 Type of securities
 (tick one)
- (a) ☐ Securities described in Part 1
- Note: At present there is insufficient spread of Option Holders in the new June 2014 Options and, accordingly, application for listing of the June 2014 Options will be deferred until such time as there is a minimum of 50 holders.
- (b) ☐ All other securities
- Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities - N/A

Tick to indicate you are providing the information or documents

- 35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders.
- 36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
- 1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 ☐ A copy of any trust deed for the additional +securities

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

Entities that have ticked box 34(b)

N/A

- 38 Number of securities for which
+quotation is sought

| |
|--|
| |
|--|

- 39 Class of +securities for which
quotation is sought

| |
|--|
| |
|--|

- 40 Do the +securities rank equally in all
respects from the date of allotment
with an existing +class of quoted
+securities?

If the additional securities do not
rank equally, please state:

- the date from which they do
- the extent to which they
participate for the next dividend,
(in the case of a trust,
distribution) or interest payment
- the extent to which they do not
rank equally, other than in
relation to the next dividend,
distribution or interest payment

| |
|--|
| |
|--|

- 41 Reason for request for quotation
now

Example: In the case of restricted securities, end of
restriction period

(if issued upon conversion of
another security, clearly identify that
other security)

| |
|--|
| |
|--|

- 42 Number and +class of all +securities
quoted on ASX (*including* the
securities in clause 38)

| Number | +Class |
|--------|--------|
| | |

+ See chapter 19 for defined terms.

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here:Date: 31 July 2012
(Director)

Print name: Warren Beckwith

+ See chapter 19 for defined terms.