



ABN 72 008 915 311

11 November 2016

ASX Market Announcements  
ASX Limited  
www.asxonline.com

Dear Sirs

### **Corunna Downs Iron Project – sale of remainder of Royalty Interests**

Gondwana Resources Limited (**Gondwana** or **the Company**) is pleased to advise that it has reached agreement with Ochre Industries Pty Limited (**Ochre**), a wholly owned subsidiary of Ochre Group Holdings Limited (**OGH**) (**ASX:OGH**) to sell Gondwana's Remaining Royalty Interests to Ochre.

### **Background**

On 22 October 2015, Gondwana announced its agreement with Atlas Iron Limited (**Atlas**) (**ASX:AGO**) to terminate Atlas' obligation to make a \$1.13/tonne royalty payment to Gondwana on the first 30M tonnes produced from Atlas' Corunna Downs Iron Project (**Deed of Variation**).

Following completion of Atlas' obligations under the Deed of Variation, Gondwana's remaining royalty interests in Corunna Downs and an adjacent tenement known as Panorama (**Remaining Royalty Interests**) will be as follows.

- Corunna Downs iron ore: 1.13% on tonnes beyond the first 30M of production
- Corunna Downs other minerals: 1.5% of gross proceeds of sale
- Panorama iron ore & other minerals: 1% of gross proceeds of sale

For a description of the Corunna Downs Iron Project and exploration results to date, refer to the announcements on the ASX website (ASX:AGO).

### **Sale to Ochre**

The consideration payable to Gondwana by Ochre under the agreement for the sale of the Remaining Royalty Interests comprises:

- the buy back and cancellation of all shares held by OGH and its associated company, Joffrey Pty Limited, in Gondwana (**OGH Shares**); and
- a cash Deposit of \$100,000.

The agreement is subject to the following conditions:

- (a) Gondwana receiving the Deposit;
- (b) approval by the shareholders of Gondwana in a general meeting pursuant to the requirements for a selective share buy-back under Division 2 of Part 2J.1 of the Corporations Act and the requirements for the disposal of a substantial asset to a substantial holder under Listing Rule 10.1 (**Shareholder Approval**); and
- (c) Atlas providing its written consent to Gondwana selling, transferring and assigning the Remaining Royalty Interests to Ochre.

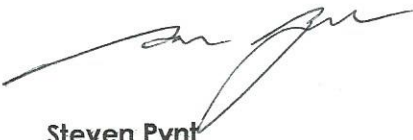
Ochre has also requested and Gondwana has agreed that, if for any reason the royalty rights on the first 30Mt of iron ore from Corunna Downs (the subject of the Deed of Variation described above) should revert to Gondwana ownership (**Reverted Rights**), Ochre will have a first right of refusal in respect of the Reverted Rights in the event that Gondwana decides to dispose of them.

A general meeting of shareholders will be convened by Gondwana for the purpose of seeking Shareholder Approval as soon as practicable.

#### **Contact**

In the event of any queries, or for a copy of the ASX releases referred to above, please contact Steven Pynt on telephone 0411 708 591, Warren Beckwith on 0419 838 839 or email [info@gondwanaresources.com](mailto:info@gondwanaresources.com)

Yours faithfully



**Steven Pynt**  
**Director and Company Secretary**  
**Gondwana Resources Limited**

# Appendix 3C

## Announcement of buy-back (except minimum holding buy-back)

*Information and documents given to ASX become ASX's property and may be made public.*

Introduced 1/9/99. Origin: Appendix 7B. Amended 13/3/2000, 30/9/2001, 11/01/10

Name of entity

Gondwana Resources Limited

ABN/ARSN

ABN 72 008 915 311

We (the entity) give ASX the following information.

### Information about buy-back

1	Type of buy-back	Selective share buy-back under Division 2 of Part 2J.1 of the Corporations Act
2	<sup>+</sup> Class of shares/units which is the subject of the buy-back (eg, ordinary/preference)	Ordinary shares
3	Voting rights (eg, one for one)	One for one
4	Fully paid/partly paid (and if partly paid, details of how much has been paid and how much is outstanding)	Fully paid
5	Number of shares/units in the <sup>+</sup> class on issue	25,508,440
6	Whether shareholder/unitholder approval is required for buy-back	Yes
7	Reason for buy-back	Pursuant to agreement for the Sale of Remaining Royalty Interests dated 11 November 2016

<sup>+</sup> See chapter 19 for defined terms.  
11/01/2010

## Appendix 3C

### Announcement of buy-back

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- 8 Any other information material to a shareholder's/unitholder's decision whether to accept the offer (*eg, details of any proposed takeover bid*)

None

### On-market buy-back

N/A

- 9 Name of broker who will act on the company's behalf

- 10 Deleted 30/9/2001.

- 11 If the company/trust intends to buy back a maximum number of shares - that number

Note: This requires a figure to be included, not a percentage.

- 12 If the company/trust intends to buy back shares/units within a period of time - that period of time; if the company/trust intends that the buy-back be of unlimited duration - that intention

- 13 If the company/trust intends to buy back shares/units if conditions are met - those conditions

### Employee share scheme buy-back

N/A

- 14 Number of shares proposed to be bought back

- 15 Price to be offered for shares

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<sup>+</sup> See chapter 19 for defined terms.

### Selective buy-back

16	Name of person or description of class of person whose shares are proposed to be bought back	<table><tr><th>Shareholder</th><th>Shares</th></tr><tr><td>Ochre Group Holdings Limited</td><td>5,766,016</td></tr><tr><td>Joffrey Pty Limited</td><td>850,000</td></tr><tr><td>Total</td><td>6,616,016</td></tr></table>	Shareholder	Shares	Ochre Group Holdings Limited	5,766,016	Joffrey Pty Limited	850,000	Total	6,616,016
Shareholder	Shares									
Ochre Group Holdings Limited	5,766,016									
Joffrey Pty Limited	850,000									
Total	6,616,016									
17	Number of shares proposed to be bought back	6,616,016								
18	Price to be offered for shares	Pursuant to agreement for the Sale of Remaining Royalty Interests dated 11 November 2016								

### Equal access scheme

N/A

19	Percentage of shares proposed to be bought back	
20	Total number of shares proposed to be bought back if all offers are accepted	
21	Price to be offered for shares	
22	+Record date for participation in offer	

Cross reference: Appendix 7A, clause 9.


### Compliance statement

1. The company is in compliance with all Corporations Act requirements relevant to this buy-back.

or, for trusts only:

1. The trust is in compliance with all requirements of the Corporations Act as modified by Class Order 07/422, and of the trust's constitution, relevant to this buy-back.
2. There is no information that the listing rules require to be disclosed that has not already been disclosed, or is not contained in, or attached to, this form.

Sign here:

  
(Director/Company secretary)

Date: 11 November 2016

Print name: Steven Pynt

+ See chapter 19 for defined terms.