

Gondwana

RESOURCES LIMITED

ABN 72 008 915 311

28 December 2007

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

Dear Sirs

Rights Issue

The Company advises that the pro rata non-renounceable Rights Issue (**Offer**) pursuant to the Company's Offer Document dated 7 December 2007 has closed.

The Offer has raised \$1,052,983.66 (before issue costs) and a total of 105,298,366 New Shares and 52,649,183 New Options exercisable on or before 30 June 2010 at 1.2¢ each will therefore be issued.

The results are summarised below:

	New Shares	New Options
Shares subscribed	105,298,366	52,649,183
Shortfall	82,386,498	41,193,249
Maximum shares available in Offer:	187,684,864	93,842,432

Further New Shares and New Options may be issued upon the allocation of shortfall shares as set out in the Offer Document.

Holding Statements are to be despatched to shareholders on 3 January 2008. An Appendix3B will be separately lodged.

The Company intends to apply the funds raised from the Offer towards exploration of the Company's mineral prospects, evaluation and acquisition of or farm-in to new tenements, evaluation of new overseas project(s), investment in an associated company, retirement of debt and general working capital.

For further information, please contact the Company from 3 January 2007 onwards on telephone (08) 9388 9961 or (08) 9388 9697 or email the Company at any time on info@gondwanaresources.com.

Yours faithfully



Warren Beckwith
Director
Gondwana Resources Limited

GDA/ASX/287-EL134