

MEDIA RELEASE

3 January 2008

Gondwana
RESOURCES LIMITED

Exploration Update

Moodong Well

The Company has acquired and reprocessed aeromagnetic and additional radiometric data as the next step in its exploration program for the Moodong Well Prospect (E08/1577). Interpretation is still under way. It is now anticipated that an MMI soil sampling program will be conducted on this prospect during the March quarter 2008, targeting uranium, copper and other minerals.

Further information will be released as it becomes available

Mt Caudan Iron Ore

Cazaly Iron Pty Ltd has advised that a first pass drilling program for iron ore has been completed on this prospect (M77/766) and results should be available later this month.

Parker Range Gold Project

The MMI program announced recently has now covered a significant number of the tenements within the Company's Parker Range Gold Project and a total of 11,544 soil samples has been collected so far and approximately 50% of these samples have been submitted for assay. Assay results are being analyzed and interpreted by Brian Varndell, a geologist experienced in MMI sampling techniques.

Preliminary results of the program are expected to be available for release later this month.

Plaints previously lodged by Rockdale Pty Ltd on tenements E77/435, P77/2863, E77/351, P77/2640, P77/2653-4, P77/2678, P77/3234, P77/2664, P77/2737-9, P77/2741, P77/2875-7, P77/3252-3, P77/3358, and M77/052 have all now been dismissed.

There are complaints lodged by W Richmond on tenements P77/2737-9, P77/2741, P77/2875-7, P77/2908-9, P77/3252-3 and P77/3358. Discussions are in progress with a view to resolving these complaints.

East Pilbara Project

Several of the tenements within the East Pilbara Project which have been subject to complaint have now been surrendered, namely E45/2412, E45/2454-7, E45/2460, E45/2476 and E46/554-5.

Competent Person Statement

The information in this Report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Al Maynard who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Maynard 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 Maynard consents to the inclusion in this Report of the matters based on his information in the form and context in which it appears. Mr Maynard is a self-employed consultant to the Company.

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