MEDIA RELEASE
20 August 2009

Uranium Exploration Update

HIGHLIGHTS

- **Reconnaissance field trip at Red Rock Bore discovers radioactive granite with rock chips up to 946 ppm uranium**
- **The Red Rock Bore prospect represents an opportunity for the discovery of a high tonnage, low grade intrusive-type uranium deposit.**

URANIUM BACKGROUND

Gondwana Resources Limited has applied for 985 km² of tenure across 12 exploration licences in the Gascoyne/Ashburton region of Western Australia. The tenements have been selected for uranium exploration using regional airborne radiometric surveys and the Mindex database of uranium occurrences.

In 2008, the WA state government announced its policy permitting uranium mining in Western Australia. The change in state policy, in line with South Australia and the Northern Territory, has provided a positive outlook for uranium metal exploration at a time of uncertainty in other metal markets.

RED ROCK BORE

E08/1968 - 100% Gondwana

The Red Rock Bore exploration licence application is located on Maroonah station, 320 kilometres south of the port of Dampier. The principal feature of Red Rock is an inselberg or exfoliating granite dome that stands 35 metres above the surrounding sand plain (*Figure 1*).

Three uranium-biased airborne radiometric anomalies were identified within the GSWA 400m line spaced radiometric data. A strong airborne radiometric anomaly (*Figure 2*) is coincident with Red Rock which extends approximately 900 metres by 500 metres in area.

Field investigations were carried out by the Company's uranium-specialist geologist, Syd Morete, and included footborne scintillometry and rock chip sampling. The strongest ground radiometric anomaly was located on top of the rock.

Figure 1: Red Rock, a granite inselberg, contains surface rock chip assays up to 946ppm Uranium

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Four samples were collected and submitted to Genalysis Laboratory Services for assay using a 4-acid digest and analysis via ICPMS for uranium and certain other elements.

Rock chip sample 09RRRK003 returned **946ppm uranium and 15ppm thorium (U:Th=63)**, located at 361153mE-7408776mN (MGA Zone 50). This result suggests the presence of uraninite. No secondary uranium minerals were observed. Three other rock chips within the radiometric anomaly returned less than 37ppm uranium.

Geological exposures on Red Rock show shadowy ghost-like features indicating granitisation of a previous sedimentary regime. Mapping by GSWA indicates Red Rock (sample 169092 at 361240mE-7409000mN) as being a medium and even-grained biotite-muscovite monzogranite (Nelson, 2004).

Follow up program

The Company plans a follow-up program including detailed footborne radiometric surveying, channel sampling and deep RC drilling once the tenement has been granted.

CONTACT

For further information phone Grant Donnes or Warren Beckwith on (08) 9388 9961, email info@gondwanaresources.com or visit the Company's website at www.gondwanaresources.com

Warren Beckwith
Director
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Competent Person Statement

The technical information in this report that relates to Exploration Results is based on information compiled by Consultant Geologist Mr. Syd Morete who is a Member of the Australian Institute of Mining and Metallurgy. Mr. Morete 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. Morete consents to the inclusion in this Report of the matters based on his information in the form and context in which it appears. Mr Morete is a self-employed consultant to the Company.

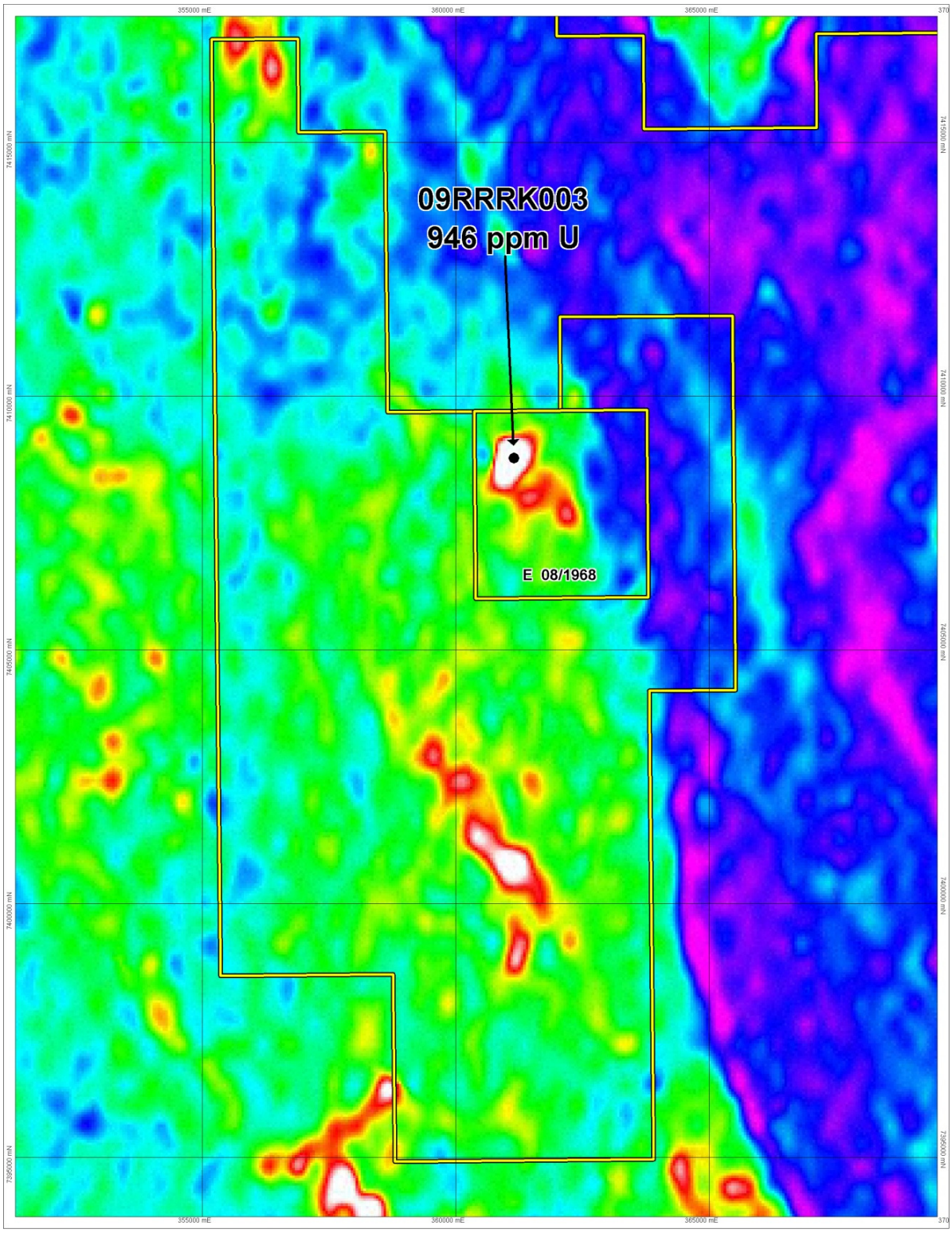

Figure 2: GSWA radiometric survey uranium channel image showing location of 946ppm U rock chip