

## MEDIA RELEASE

1 March 2011



# MAIDEN GOLD RESOURCE AT CENTENARY

## Highlights:

- Maiden Mineral Resource estimate for the Centenary Gold Project of 377,000 t @ 2.4 g/t Au for 29,400 oz Au - Indicated + Inferred (see table below)
- Centenary resource is larger than both Buffalo and Spring Hill resources released in 2010, bringing the total JORC resource base to 80,550 oz of gold within the Parker Range Gold Project (see tables below)
- Mineralized Centenary Eastern BIF unit discovered by Gondwana in 2009 contains the bulk of the mineralization in the resource
- Mineralisation remains open down-dip and along strike to the south west; infill drilling along strike and down dip aims to grow the Centenary resource significantly
- Regional exploration drilling on separate tenements along strike from the Centenary Project have intersected new mineralisation, including 7m @ 1.57 g/t from 18m in hole 11CTRC004

## Centenary Project Resource Estimation, Parker Range, WA

(M77/657- Gondwana 100%)

The company is pleased to announce a maiden JORC-compliant Mineral Resource for the Centenary gold deposit of **29,400 oz Au**. The resource is summarised in Table 1.

The company is highly encouraged by this result, as well as the potential extent of the Centenary deposit as the mineralisation remains open to the south west and down-dip (*refer to figure 1*).

**Table 1: Centenary 2011 maiden JORC compliant Mineral Resource estimate ( $\geq 1.0$  g/t)**

Resource Category	Tonnes	Grade (g/t)	Cut ounces* (Au)
Indicated	241,000	2.6	19,800
Inferred	136,000	2.2	9,600
<b>Total</b>	<b>377,000</b>	<b>2.4</b>	<b>29,400</b>

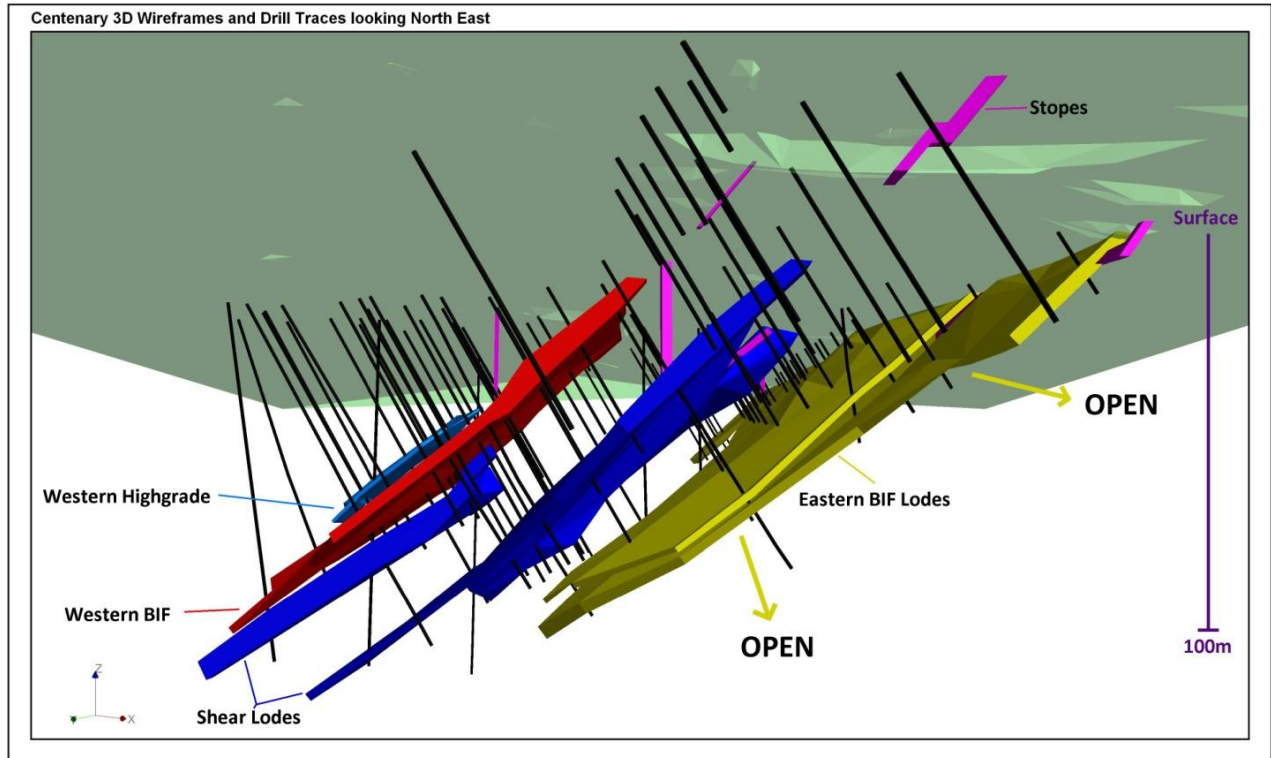
\* Resource reported at a 1.00 g/t Au lower cut and variable top cuts for the 6 ore zones.

1kg screen fire assay results were used for estimation of high grade zones where possible.

Assay results are primarily from RC drilling with a single diamond hole into the high grade vein.

Specific Gravity density values derived from the Centenary & Buffalo diamond drill core measurements.

Wire frame modelling incorporated all 3 zones (West BIF Quartz, Shear Quartz and East BIF's) with a total of 6 mineralised domains defined. 1kg screen fire gold assay results were used where possible to determine a suitable top cut for the high grade quartz vein. Excellent RC drill intersects released in December 2010 substantially improved the southern part of the eastern BIF mineralisation due to a mineralised zone up to 6m thick, directly underneath and to the south of the historic drill holes.



**Figure 1: 3D gold mineralisation wireframes and drill holes indicating mineralisation remains open at depth and to the SW**

The mineralised eastern BIF unit requires additional drilling at depth and to the south west to close off the mineralisation wireframes and this is scheduled for the next RC drill program. A single diamond hole was drilled into the Centenary high grade quartz lode area in December 2009. Densities for the resource estimation have been estimated from the 6 diamond holes drilled into the Buffalo deposit, along strike to the south along the same geological sequence, and the single diamond hole drilled at Centenary.

The eastern BIF unit consists of an oxidized iron rich outcrop, through a partially leached gossan in the transition zone, and into a fresh pyrrhotite sulphide zone in the fresh rock. In addition to the eastern BIF unit, a central shear zone containing multiple thin quartz veins, minor mineralisation in the western BIF and a single high grade quartz vein (approximately 1m thick) above the western BIF add ounces to the resource model. The two lodes on the centenary shear and the western high grade vein are classified as inferred category based on current drilling density in relation to the complex geometry of the lodes.

Minor stoping from the early 1900's has occurred on the central shear lodes and stope voids have been modelled and removed from the resource estimation. The eastern BIF unit is where most of the ounces have been derived and is relatively intact, with only minor stoping to 15m depth.

Historic lower gold grades from shallow drilling across the eastern BIF are currently being reassessed for potential near surface depletion. In addition to the proposed drilling campaign at depth and to the south west, as mentioned above, an exploration program is currently being designed to intersect these historic gold intersects down dip below the transition zone around 40-50m vertical depth, along strike from Centenary as highlighted in figure 2 (refer to the section below on regional exploration drilling).

## Gold Resources Overview, Parker Range, WA

### Centenary

M77/657- Gondwana 100%

### Buffalo and Spring Hill

M77/893 – Gondwana 70%

The company aims to combine the resources from all 3 Parker Range deposits including Buffalo, Spring Hill and Centenary into a new pre-feasibility study. This study will incorporate metallurgical test results completed for the Buffalo deposit, as released in the September 2010 quarterly report. The total resource base for the area currently stands at **80,550 oz of gold** ( $\geq 1.0$  g/t).

**Table 2: Total JORC compliant gold resource for tenements M77/657 and M77/893 ( $\geq 1.0$  g/t)**

Project	Indicated Tonnes	Grade (g/t)	Inferred Tonnes	Grade (g/t)	Total Tonnes	Total Grade (g/t)	Total Cut* Ounces (Au)
Centenary	241,000	2.6	136,000	2.2	377,000	2.4	29,400
Buffalo	292,200	2.4	62,800	1.6	355,000	2.2	25,400
Spring Hill	226,400	2.0	180,300	2.0	406,700	2.0	25,750
<b>Total</b>	759,600	2.3	379,100	2.0	1,138,700	2.2	<b>80,550</b>

\* Global resource estimations reported at a 1.00 g/t Au lower cut and variable top cuts depending on ore zone. Assays results from RC drilling, six diamond holes at Buffalo and a single diamond hole into Centenary. Specific Gravity values for Centenary and Spring Hill were from the Buffalo and Centenary diamond drill core measurements.

Slight variation in grade and/or ounces is the result of grade rounding of indicated and inferred estimations.

Mining studies on the Buffalo deposit used 6 holes of diamond drill core through the ore zone drilled in late 2009. The preliminary results from the metallurgical test work were released in 2010, and indicate the ore is amenable to conventional or leach processing techniques.

Prior to drilling additional diamond core for further metallurgical test work into the Centenary and Spring Hill gold deposits, the company will close off the Centenary mineralisation using RC drilling, targeting the south west of the deposit area and at depth beneath the higher grade areas of the resource.

## Regional Gold Exploration, Parker Range, WA

(M77/671, M77/762, M77/763, M77/765, M77/766, E77/1396 - Gondwana 100%)

An exploration RC drill program was conducted by the company on the northern Parker Range tenements in January 2011. The exploration focus was to test the eastern BIF mineralised zone approximately 200m south west and 500m north east of the Centenary resource area in the adjoining tenements.

The best intersects are : **1m @ 7.52 g/t from 32m** in hole 11CTRC002, **7m @ 1.57 g/t from 18m** in hole 11CTRC004 and **6m @ 1.01 g/t from 29m** in hole 11CTRC005. The latest exploration results are shown in Table 3 and displayed in plan on figure 2. Proposed follow up drilling is described above.

**Table 3: Significant gold exploration intersects in M77/762 and M77/763:**

Hole ID	Easting	Northing	Dip/Azi	From	To	Interval	Au g/t
11CTRC004	746747	6500088	-60/129	18	25	7	1.57
11CTRC005	746729	6500092	-60/129	29	35	6	1.01
11CTRC002	746119	6499174	-60/129	32	33	1	7.52
11CTRC001	746147	6499207	-60/129	23	25	2	0.68
				28	31	3	0.57
11CTRC003	746084	6499132	-60/129	30	31	1	0.86

*All samples analysed by Fire Assay on a 50g charge via Genalysis Laboratory Services using an exploration 0.3g/t lower cut.*

These exploration results were from intersects through the eastern BIF unit, however only at shallow depths. Deeper follow-up drilling is warranted to determine if the current results are affected by near surface gold depletion, as evident in recent drilling on the Centenary deposits eastern BIF unit.

Other exploration targets drilled during this program failed to return significant in gold mineralisation, including pegmatite dykes and quartz veins at McIntosh and electromagnetic (AEM) and coincident soil geochemical anomalies at Burbidge East, where massive sulphides in graphitic metasediments containing minor quartz veining were intersected. The AEM conductors have been explained by the high sulphide content; however the metasediments contained only weak gold mineralisation explaining the soil anomalism. Refer to figure 2 below.

#### **Competent Person Statement – Mineral Resources or Ore Reserves**

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

#### **Competent Person Statement – Exploration Results**

*The technical information in this report that relates to Exploration Results is based on information compiled by Mr. Grant Donnes who is a Member of the Australian Institute of Geoscientists. Mr. Donnes 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. Donnes consents to the inclusion in this Report of the matters based on his information in the form and context in which it appears. Mr Donnes is a self employed consultant to the Company.*

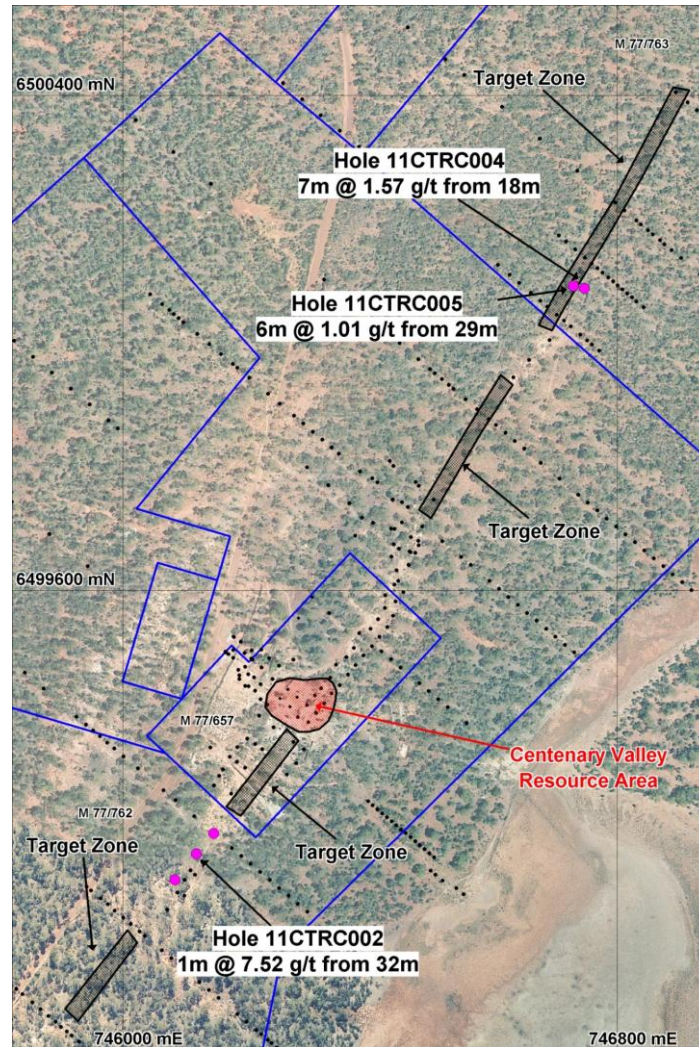


Figure 2: January 2011 RC collars (pink) and target zones to be drill tested in the next program

## Corporate

The Company is pleased to announce a placement of 68,000,000 new shares at a price of 0.75 cents per share together with 68,000,000 free attaching options on a 1 for 1 basis exercisable at 1 cent each on or before 30 June 2013, subject to the approval of shareholders at a general meeting to be held as soon as possible. If approved, the placement will raise \$510,000 before costs of the issue. The purpose of the placement is to fund continuing drilling operations at Centenary and other exploration activities, corporate overheads, repay short term loans and working capital, pending the previously announced pro rata entitlement offer to be made to all shareholders.

## Contact

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