

**GONDWANA RESOURCES LIMITED**  
**ABN 72 008 915 311**

---

**BONUS ISSUE PROSPECTUS**

---

For a free bonus issue of 1 Share for every 8 Shares, and 3 Options for every 5 Shares (**Bonus Securities**) held by Shareholders as at 5:00pm WST on 22 July 2008.

The Bonus Securities are being offered free to Shareholders.

**SHAREHOLDERS ARE NOT REQUIRED TO TAKE ANY ACTION IN RELATION TO THE  
ISSUE OF BONUS SECURITIES PURSUANT TO THIS PROSPECTUS**

**Important Notice**

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The securities offered by this Prospectus should be considered as speculative.

## TABLE OF CONTENTS

1.	SUMMARY OF IMPORTANT DATES AND IMPORTANT NOTES .....	3
2.	CORPORATE DIRECTORY .....	4
3.	DETAILS OF THE ISSUE .....	5
4.	PURPOSE AND EFFECT OF THE ISSUE.....	6
5.	RIGHTS AND LIABILITIES ATTACHING TO THE SHARES AND BONUS OPTIONS .....	7
6.	RISK FACTORS .....	10
7.	ADDITIONAL INFORMATION .....	12
8.	AUTHORITY OF DIRECTORS.....	16
9.	DEFINITIONS .....	17

## **1. SUMMARY OF IMPORTANT DATES AND IMPORTANT NOTES**

### **TIMETABLE AND IMPORTANT DATES**

Lodgement of Prospectus with ASIC and ASX	11 July 2008
Lodgement of Appendix 3B with ASX	11 July 2008
Ex Date	16 July 2008
Record Date for determining entitlements to Bonus Securities	22 July 2008
Despatch of holding statements	5 August 2008

\* The date Bonus Securities expected to commence trading on ASX may vary.

### **IMPORTANT NOTES**

Shareholders should read this document in its entirety and, if in doubt, should consult their professional advisors.

This Prospectus is dated 11 July 2008 and a copy of this Prospectus was lodged with the ASIC on that date. The ASIC and ASX take no responsibility for the content of this Prospectus.

The expiry date of the Prospectus is 10 July 2009 (Expiry Date). No securities will be allotted or issued on the basis of this Prospectus after the Expiry Date.

This Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities laws. Shareholders who are resident in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed.

No person is authorised to give information or to make any representation in connection with this Prospectus which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

### **ELECTRONIC PROSPECTUS**

Any person accessing the electronic version of this Prospectus for the purpose of making an investment in the Company must be an Australian resident and must only access the Prospectus from within Australia.

The Corporations Act prohibits any person passing onto another person an Application Form unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. Any person may obtain a hard copy of this Prospectus free of charge by contacting the Company.

## 2. CORPORATE DIRECTORY

### Directors

Mr Warren T Beckwith (Chairman)  
Mr Paul M Goodsall  
Mr Steven L Pynt

### Company Secretary

Mr Paul M Goodsall

### Registered Office

230 Rokeby Road  
SUBIACO WA 6008

Telephone (08) 9388 9697  
Facsimile (08) 9381 1705

### Solicitors

Steinepreis Paganin  
Lawyers and Consultants  
Level 4  
16 Milligan Street  
PERTH WA 6000

### Auditor\*

KPMG  
152 St Georges Terrace  
PERTH WA 6000

### Share Registry\*

Computershare Investor Services Pty Ltd  
Level 2, Reserve Bank Building  
45 St Georges Terrace  
PERTH, WA 6000  
Telephone: 1300 787 272

\* These parties are included for information purposes only. They have not been involved in the preparation of this Prospectus.

### **3. DETAILS OF THE ISSUE**

#### **3.1 Issue of Bonus Securities**

The Issue is being made as a bonus issue of one (1) free Share for every eight (8) Shares, and three (3) Options for every five (5) Shares held by Shareholders registered at 5.00pm (WST) on the Record Date (**Bonus Securities**). Fractional Entitlements will be rounded up to the nearest whole number. As the Bonus Securities are being issued for nil cash consideration, no funds will be raised under the Issue. If all the Bonus Options issued under the Issue are exercised, the Company will receive approximately \$4,470,016.

Based on the capital structure of the Company at the date of this Prospectus, the maximum number of Bonus Shares to be issued pursuant to this Issue is approximately 7,760,445 and the maximum number of Bonus Options to be issued pursuant to this Issue is approximately 37,250,133 (refer to Note in Section 4.2). The purpose of the Issue is set out in Section 4 of this Prospectus.

#### **3.2 Australian Securities Exchange Listing**

Application for official quotation by ASX of the Bonus Securities offered pursuant to this Prospectus will be made within 7 days after the date of this Prospectus. If approval is not obtained from ASX before the expiration of 3 months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any securities.

The fact that ASX may grant official quotation to the Bonus Securities is not to be taken in any way as an indication of the merits of the Company or the securities now offered for subscription.

#### **3.3 Allotment of Options**

Bonus Securities issued pursuant to the Issue will be allotted as soon as practicable after the date of this Prospectus and otherwise in accordance with the ASX Listing Rules. The Company will allot the Bonus Securities on the basis of a Shareholder's Entitlement.

Holding statements for the Bonus Securities will be mailed as soon as possible after the date of this Prospectus.

#### **3.4 Overseas Shareholders**

This Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of the Options these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction.

Shareholders resident outside Australia should consult their professional advisors as to whether any government or other consents are required, or other formalities need to be observed, to enable them to take up their Entitlements under the Offer.

#### 4. PURPOSE AND EFFECT OF THE ISSUE

##### 4.1 Purpose of the Issue

The purpose of the Issue is to provide Shareholders with an opportunity to participate in the continued growth of the Company. No funds will be raised through the issue of the Bonus Securities pursuant to this Prospectus, however if all the Bonus Options are exercised, the Company will receive \$4,470,016. Any funds raised upon the exercise of any of the Bonus Options will be allocated to the Company's working capital.

##### 4.2 Effect of the Issue

The principal effect of the Issue will be to increase the number of Shares on issue from 62,083,558 as at the date of this Prospectus, to approximately 69,844,003 and the number of Options on issue from 12,013,146 as at the date of this Prospectus, to approximately 49,263,279. Additionally following completion of the Issue the working capital of the Company will be reduced by \$19,000 after paying the expenses of the Issue.

Note: The above numbers of Shares on issue may increase and the number of Options may correspondingly decrease if existing Options are exercised prior to the record Date. The number of Bonus Securities would also increase accordingly.

##### 4.3 Effect on Capital Structure

A comparative table of changes in the capital structure of the Company as a consequence of the Issue is set out below, assuming that all Bonus Securities under the Issue are issued.

###### Shares

	Number
Current Shares on issue - Listed	61,008,558
Current Shares on issue - Unlisted	1,075,000
Shares offered pursuant to the Issue	7,760,445
<b>Total Shares on issue after completion of Issue</b>	<b>69,844,003</b>

###### Options

	Number
Current Options on issue - listed	10,813,146
Current Options on issue - unlisted	1,200,000
Options offered pursuant to the Issue	37,250,133
<b>Total Options on issue after completion of Issue</b>	<b>49,263,279</b>

## **5. RIGHTS AND LIABILITIES ATTACHING TO THE SHARES AND BONUS OPTIONS**

### **5.1 Rights Attaching to Shares**

The rights, privileges and restrictions attaching to Shares can be summarised as follows:

(a) General Meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with Section 249D of the Corporations Act and the Constitution of the Company.

(b) Voting Rights

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at general meetings of shareholders or classes of shareholders:

(i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;

(ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and

(iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for the share, but in respect of partly paid Shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

(c) Dividend Rights

Subject to the rights of persons (if any) entitled to Shares with special rights to dividend the Directors may declare a final dividend out of profits in accordance with the Corporations Act and may authorise the payment or crediting by the Company to the Shareholders of such a dividend. The Directors may authorise the payment or crediting by the Company to the Shareholders of such interim dividends as appear to the Directors to be justified by the profits of the Company. Subject to the rights of persons (if any) entitled to shares with special rights as to dividend all dividends are to be declared and paid according to the amounts paid or credited as paid on the Shares in respect of which the dividend is paid. Interest may not be paid by the Company in respect of any dividend, whether final or interim.

(d) Winding-Up

If the Company is wound up, the liquidator may, with the authority of a special resolution of the Company, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders. The liquidator may, with the authority of a special resolution of the Company, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no shareholder is compelled to accept any shares or other securities in respect of which there is any liability. Where an order is made for the winding up of the Company or it is resolved by special resolution to wind up the Company, then on a distribution of assets to members, Shares classified by ASX as restricted securities at the time of the commencement of the winding up shall rank in priority after all other shares.

(e) Transfer of Shares

Generally, Shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act or the Listing Rules.

(f) Variation of Rights

Pursuant to Section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of shareholders vary or abrogate the rights attaching to shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up may be varied or abrogated with the consent in writing of the majority of the holders of the issued shares of that class, or if authorised by a ordinary resolution passed at a separate meeting of the holders of the shares of that class.

## 5.2 Terms and Conditions of Bonus Options

The Bonus Options will entitle the holders to subscribe for fully paid ordinary Shares in the Company on the following terms:

- (a) Each Bonus Option entitles the holder to subscribe for and be allotted one ordinary fully paid Share in the Company.
- (b) The Bonus Options are exercisable at 12 cents each, payable in cash (**Exercise Price**).
- (c) The Bonus Options are exercisable on or before 30 June 2010 (**Expiry Date**).

- (d) The Bonus Options may be exercised by notice in writing to the Company received at any time on or before the Expiry Date.
- (e) The Bonus Options are freely transferable.
- (f) The Bonus Options may be exercised in whole or in part.
- (g) A holding statement will be issued for the Bonus Options. On the reverse side of the holding statement there will be endorsed a statement of rights of the Optionholder and a notice of exercise of an option that is to be completed when exercising the Bonus Options. If prior to the Expiry Date those Bonus Options are exercised in part the Company will issue another holding statement for the balance of the Bonus Options held and not yet exercised.
- (h) In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the issued capital of the Company, the rights of the Optionholder will be treated in the manner prescribed by the ASX Listing Rules applying to reconstructions at that time.
- (i) All Shares issued upon exercise of the Bonus Options will rank pari passu in all respects with the Company's then existing ordinary fully paid shares. The Company will apply for Official Quotation by the ASX of all Shares issued upon exercise of the Bonus Options.
- (j) There are no participating rights or entitlements inherent in the Bonus Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Bonus Options.

However, if from time to time on or prior to the Expiry Date the Company makes an issue of new Shares to Shareholders, the Company will announce the issue to ASX prior to the record date in accordance with the requirements of the ASX Listing Rules. This will give holders of Bonus Options the opportunity to exercise their Bonus Options prior to the date for determining entitlements to participate in any such issue.

- (k) There is no right to a change in the Exercise Price of the Bonus Options or to the number of Shares over which the Bonus Options are exercisable in the event of a new issue of capital (other than a bonus issue) during the currency of the Bonus Options.

## **6. RISK FACTORS**

### **6.1 General**

The securities offered under this Prospectus should be considered speculative because of the nature of the Company's business.

There are numerous risk factors involved with the Company's business. Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, but some are outside the control of the Company and cannot be mitigated. Accordingly, an investment in the Company carries no guarantee with respect to the payment of dividends, return of capital or price at which Securities will trade.

The following is a summary of the more material matters to be considered and should be read in conjunction with specific matters referred to in the Company's announcements and reports.

### **6.2 General Economic Climate**

Factors such as inflation, currency fluctuation, interest rates and supply and demand have an impact on operating costs, commodity prices and stock market prices. The Company's future revenues and Share price may be affected by these factors, as well as by fluctuations in the price of gold or other minerals, which are beyond the Company's control.

### **6.3 Operational Risks**

The business of mining and mineral exploration, development and production by its nature contains significant risks. The business depends on, amongst other things, successful exploration and identification of mineral reserves, security of tenure, the availability of adequate funding, satisfactory performance of mining operations, good industrial relations and competent management. Profitability and asset values can be affected by unforeseen changes in operating circumstances, mineral reserves and geotechnical considerations.

### **6.4 Land Access**

There is a substantial level of regulation and restriction on the ability of mining companies to have access to land in Australia. Mabo or native title claims are an example. The Native Title Act (1993) gives statutory recognition to claims of native title. Claims of this nature have been made, and may be made in the future over the Company's mining interests.

### **6.5 Sharemarket Conditions**

The market price of the Company's securities may be subject to varied and unpredictable influences on the market for equities in general and resources stocks in particular.

### **6.6 Environmental Risks**

Mining is an industry which has become subject to increasing environmental responsibility and liability. The potential liability is an ever-present risk. The use and disposal of chemicals in the mining industry is under constant legislative scrutiny and regulation.

## **6.7 Speculative Nature of Investment**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the securities offered under this Prospectus. Therefore, the securities offered pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of the securities.

## **7. ADDITIONAL INFORMATION**

### **7.1 Continuous Disclosure Obligations**

The Company is a “disclosing entity” (as defined in Section 111AC of the Corporations Act) for the purposes of Section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities. The Shares that will be issued on conversion of the Bonus Options issued pursuant to this Prospectus are in the same class of Shares that have been quoted on the official list of the ASX during the 3 months prior to the issue of this Prospectus.

This Prospectus is a “transaction specific prospectus”. In general terms “transaction specific prospectuses” are only required to contain information in relation to the effect of the issue of securities on the Company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 3 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in Section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) to the extent they are available, it will provide a copy of each of the following documents, free of charge, to any person on request from the date of issue of this Prospectus:

- (i) the annual financial report most recently lodged with the ASIC by the Company and any half-year financial report lodged with the ASIC by the Company after the lodgement of that annual report and before the lodgement of this Prospectus with the ASIC; and
- (ii) any documents used to notify ASX of information relating to the Company in the period from lodgement of the financial statements referred to in paragraph (i) above until the issue of the Prospectus in accordance with the Listing Rules as referred to in Section 674(1) of the Corporations Act.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

The Company has lodged the following announcements with ASX since lodgement of the Company's 2007 Annual Report:

Date	Description of Announcement
11/07/2008	Exploration Update - Parker Range & Pilbara
09/07/2008	Bonus Issue
04/07/2008	Change of Director's Interest Notice – PM Goodsall
04/07/2008	Change of Director's Interest Notice – WT Beckwith
04/07/2008	Change of Director's Interest Notice – SL Pynt
03/07/2008	Appendix 3B
13/06/2008	Appendix 3B
12/06/2008	Capital Reconstruction
06/06/2008	East Pilbara Exploration Results
02/06/2008	ASX Circular: Reorganisation of Capital
02/06/2008	Results of Meeting 30 May 2008
30/05/2008	Expiry of June 2008 Options
01/05/2008	Alteration to Notice of Meeting
01/05/2008	Alteration to Notice of Meeting
30/04/2008	Quarterly Activities and Cashflow Report
30/04/2008	Notice of Annual General Meeting/Proxy Form
21/04/2008	Appendix 3B
16/04/2008	Exploration Progress Report
31/03/2008	Annual Report to Shareholders

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

## 7.2 Directors' Interests

Other than as set out below or elsewhere in this Prospectus, no Director nor any firm in which such a Director is a partner, has or had within 2 years before the lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Issue of securities pursuant to this Prospectus; or
- (c) the Issue of securities pursuant to this Prospectus,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any Director or to any firm in which any such Director is a partner, either to induce him to become, or to qualify him as, a Director or otherwise for services rendered by him or by the firm in connection with the formation or promotion of the Company or issue of Bonus Securities pursuant to this Prospectus.

Directors' relevant interests in securities of the Company at the date of this Prospectus are:

Name	Shares	Options	Entitlement	
			Bonus Shares	Bonus Options
Warren Beckwith	4,524,720	1,354,122	565,590	2,714,832
Paul Goodsall	Nil	300,000	Nil	Nil
Steven Pynt	67,590	300,000	8,449	40,554

Note: The above numbers of securities may change if any of the existing Options are exercised prior to the Record Date, in which case the Entitlement would increase accordingly.

## 7.3 Interests and Consents of Experts and Advisers

Other than as set out below or elsewhere in this Prospectus, no expert, underwriter, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, nor any firm in which any of those persons is or was a partner, nor any company with which any of those persons is or was associated, has or had within two (2) years before the lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company; or
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the issue of Bonus Securities pursuant to this Prospectus; or

(c) the issue of securities pursuant to this Prospectus,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any expert, underwriter, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of this Prospectus, or to any firm in which any of those persons is or was a partner, or to any company with which any of those persons is or was associated, for services rendered by that person, or by the firm or the company, in connection with the formation or promotion of the Company or the issue of securities pursuant to this Prospectus.

Pursuant to Section 716 of the Corporations Act, Steinepreis Paganin has given, and has not withdrawn its consent to being named as Solicitors to the Company in the Corporate Directory of this Prospectus in the form and context in which it is named. Steinepreis Paganin has not caused or authorised the issue of this Prospectus, does not make or purport to make any statement in this Prospectus and takes no responsibility for any part of this Prospectus.

Steinepreis Paganin act as solicitors to the Company. Steinepreis Paganin will be paid approximately \$7,500 for services in relation to this Prospectus.

#### **7.4 Legal Proceedings**

There is no litigation, arbitration or proceedings pending against or involving the Company as at the date of this Prospectus.

#### **7.5 Estimated Expenses of Issue**

The estimated expenses of the Issue are \$19,000 comprising ASIC fees, ASX listing fees, printing, postage and legal expenses.

#### **7.6 Market Price of Shares**

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest and lowest market sale prices of the Company's Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

Highest: 34 cents\* on 19 May 2008

and

Lowest: 15 cents\* on 24 June 2008.

The latest available closing sale price of the Company's Shares on ASX prior to the lodgement of this Prospectus with the ASIC was 19 cents\* on 10 July 2008.

\* The Company undertook a 10:1 Share consolidation which became effective on 18 June 2008. All prices above are presented on a post-consolidation basis.

**8. AUTHORITY OF DIRECTORS**

**8.1 Directors' Consent**

Each of the Directors of Gondwana Resources Limited has consented to the lodgement of this Prospectus with the ASIC in accordance with Section 720 of the Corporations Act.

Dated the 11th day of July 2008

A handwritten signature in black ink, appearing to read 'Warren Beckwith', written over a horizontal line.

---

Warren Beckwith  
DIRECTOR  
**GONDWANA RESOURCES LIMITED**

## 9. DEFINITIONS

**ASIC** means the Australian Securities and Investments Commission.

**ASTC Settlement Rules** means the settlement rules of the securities clearing house which operates CHESS.

**ASX** means ASX Limited (ACN 008 624 691), or the Australian Securities Exchange, as the context requires.

**Board** means the board of Directors unless the context indicates otherwise.

**Bonus Options** means an Option issued pursuant to this Prospectus with the terms and conditions specified in Section 5.2.

**Bonus Shares** means Shares issued pursuant to this Prospectus.

**Bonus Securities** means both the Bonus Options and the Bonus Shares issued pursuant to this Prospectus.

**Business Day** means a day on which trading takes place on the stock market of ASX.

**Company** means Gondwana Resources Limited (ABN 72 008 915 311).

**Constitution** means the Company's Constitution as at the date of this Prospectus.

**Corporations Act** means the Corporations Act 2001 (Cth).

**Directors** means the directors of the Company at the date of this Prospectus.

**Dollar** or "\$" means Australian dollars.

**Entitlement** means the entitlement of a Shareholder who is eligible to participate in the Issue.

**Issue** means the bonus issue of one (1) Share for every eight (8) Shares and three (3) Options for every (5) Shares to eligible Shareholders on the Record Date, further details of which are included in Section 3 of this Prospectus.

**Listing Rules** or **ASX Listing Rules** means the Listing Rules of the ASX.

**Official List** means the official list of ASX.

**Option** means an option to acquire a Share.

**Optionholder** means the holder of an Option.

**Prospectus** means this prospectus.

**Quotation** and **Official Quotation** means official quotation on ASX.

**Record Date** means 5pm (WST) on the record date specified under the heading "Timetable and Important Dates" in Section 1 of this Prospectus.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a shareholder of the Company.

**WST** means Western Standard Time, Perth, Western Australia.