

PARTICIPATION IN BONUS ISSUE

The Prospectus for the Bonus Issue of Shares and Options, which is being made to all shareholders of Gondwana Resources Limited who are registered at the Record Date, has been mailed to shareholders.

Under the Bonus Issue, each shareholder registered on the Record Date (shown in the timetable below) will receive:

- 1 new Share for every 8 Shares held; and
- 3 new Options for every 5 Shares held (options are exercisable by 30/6/10 at 12¢ each).

What action should shareholders take?

Shareholders are not required to take any action under the Prospectus to receive their entitlement.

What action should option holders take?

Option holders who wish to participate in the Bonus Issue are reminded that they must exercise their options in time for the new shares to be registered by the Record Date.

Option holders must ensure that their *Application Form on Exercise of Options* is received, together with the amount of the exercise price, by the Record Date. To facilitate this, **forms may be faxed to (08) 9381 1705** and funds may be deposited directly into our bank account:-

Gondwana Resources Limited – Application Account
ANZ Private Bank,
BSB 016 002, Account No. 497910738

Application Forms for the Exercise of Options are printed on the Option Holding Statements. Otherwise, please consult the website www.gondwanaresources.com or contact the office.

The timetable for the Bonus Issue, which has already been published, is repeated below:

Timetable	Date
Prospectus lodged with ASIC and ASX and Appendix 3B lodged with ASX	11 July 2008
Ex Date	16 July 2008
Record Date for determining entitlements	22 July 2008
Dispatch of holding statements	5 August 2008

For further information, please contact Warren Beckwith or Debbie Pascoe on (08) 9388 9697 or 0419 838 839 or email info@gondwanaresources.com



Warren Beckwith
Director