Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

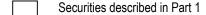
		Gippsland Ltd						
	ABN							
			31 004 766	376				
	We (the entity) give ASX the following information.							
Part 1 - All issues								
615	1	*Class of *securities issued or to be issued			Options over Ordinary Shares			
	2	Number of *securities issued or to be issued (if known) or maximum number which may be issued			10,000,000 options over ordinary shares			
	3	Principal terms of the *securities (eg, if options, exercise price and expiry date; if partly paid *securities, the amount outstanding and due dates for payment; if *convertible securities, the conversion price and dates for conversion)				Options to acquire one ordinary share at 8.7 cents on or before 14 December 2011		
(JD)	4	Do the *securities rank equally in all respects from the date of allotment with an existing *class of quoted *securities?			No, however ordinary shares issued upon exercise of the options would rank equally.			
		 If the additional securities do not rank equally, please state: the date from which they do the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 						
	5	Issue price or consideration			Nil			
	6	Purpose of the issue (If issued as co clearly identify those assets)	as consideration for the acquisition of assets,			Pursuant to re-negotiation of International Finance Corporation Subscription Agreement to allow increased flexibility for capital raisings.		
	7	Dates of entering *securities into certificates	uncertificated holdings o	17 August 2009				
					Number +Class 327,979,779 ORD			
	8	Number and ⁺ class of all ⁺ securities quoted on ASX (<i>including</i> the securities in clause 2 if applicable)						
						⁺Class		
	9	Number and ⁺ class of all ⁺ securiti (<i>including</i> the securities in clause 2 if				Options 13.5 cents, 26/5/12 Options 7 UK pence, 15/12/11 Options 15 cents, 31/5/12 Options 8.7 cents, 14/12/11		
	10	Dividend policy (in the case of a trucapital (interests)	ust, distribution policy) on	N/A				

Part 2 - Bonus issue or pro rata issue - N/A

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities (tick one)



All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Quotation agreement

(a)

(b)

*Quotation of our additional *securities is in ASX's absolute discretion. ASX may quote the *securities on any conditions it decides.

We warrant the following to ASX.

- The issue of the *securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those *securities should not be granted *quotation.
- An offer of the ⁺securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any *securities to be quoted and that no-one has any right to return any *securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the *securities be quoted.
- If we are a trust, we warrant that no person has the right to return the *securities to be quoted under section 1019B of the Corporations Act at the time that we request that the *securities be quoted.
- We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before *quotation of the *securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Dated: 14 August 2009

report

RJ Telford Director, Chief Executive Officer Gippsland Limited