



GIPPSLAND
LIMITED

ACN 004 766 376

**NOTICE OF ANNUAL GENERAL MEETING AND
EXPLANATORY STATEMENT**

For the Annual General Meeting to be held on
Friday 26 November 2010 at 3.00pm (WST) at
Suite 4, 1st Floor, 207 Stirling Highway, Claremont WA 6010, Australia.

As this is an important document, please read it carefully.

*If you are unable to attend the Annual General Meeting, please complete
the proxy form enclosed and return it in accordance with the
instructions set out on that form.*

For personal use only

TIME AND PLACE OF MEETING AND HOW TO VOTE

Venue

The Annual General Meeting of the Shareholders of Gippsland Limited ("**Gippsland**" or the "**Company**") will be held at:

**1st Floor, 207 Stirling Highway
Claremont WA 6010
Australia**

**Commencing at
3.00pm (WST)
on 26 November 2010**

How to Vote

You may vote by attending the Meeting in person, by proxy or authorised representative.

Voting in Person

To vote in person, attend the Meeting on the date and at the place set out above.

Voting by Proxy

To vote by proxy, please complete and sign the proxy form enclosed with this Notice of Annual General Meeting as soon as possible and either:

- send the proxy by facsimile to the Company on facsimile number (08) 9340 6060 (International: + 61 8 9340 6060); or
- deliver the proxy to the registered office of the Company at Suite 4, 1st Floor, 207 Stirling Highway, Claremont WA 6010, Australia; or
- mail the proxy to PO Box 352, Nedlands WA 6909, Australia;

so it is received not later than 3.00pm (WST) on Wednesday, 24 November 2010.

Your proxy form is enclosed.

NOTES:

1. A Shareholder of the Company who is entitled to attend and vote at a general meeting of Shareholders is entitled to appoint not more than two proxies. Where more than one proxy is appointed, each proxy must be appointed to represent a specified proportion of the Shareholder's voting rights. If the Shareholder appoints two proxies and the appointment does not specify this proportion, each proxy may exercise half of the votes. A proxy need not be a Shareholder of the Company.
2. Where a voting exclusion applies, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote in accordance with the directions on the proxy form to vote as the proxy decides or it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.
3. For the purposes of the Corporations Act, the Directors have set a snapshot time and date to determine the identity of those entitled to attend and vote at the Annual General Meeting. The snapshot time and date is 5.00pm (WST) on 24 November 2010.

GIPPSLAND LIMITED

ABN 31 004 766 376

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting of Shareholders of Gippsland Limited ("**Gippsland**" or the "**Company**") will be held at Suite 4, 1st Floor, 207 Stirling Highway, Claremont WA 6010, Australia, at 3.00pm (WST) on Friday, 26 November 2010.

AGENDA

BUSINESS

The Explanatory Statement which accompanies and forms part of this Notice describes the matters to be considered as ordinary business and special business. Certain abbreviations and other defined terms are used throughout this Notice. Defined terms are generally identifiable by the use of an upper case first letter. Details of the definitions and abbreviations used are set out in the Glossary contained in the Explanatory Statement.

ORDINARY BUSINESS

Annual Accounts

To receive and consider the financial report of the Company and the consolidated financial report of the consolidated entity for the year ended 30 June 2010 and the reports by the Directors and Independent Auditor.

Resolution 1: Non Binding Resolution to adopt Remuneration Report

To consider and if thought fit, to pass, with or without amendment, the following as an **ordinary resolution**:

"The section of the report of the Directors for the financial year ending 30 June 2010 entitled "Remuneration Report" and dealing with the remuneration of the Company's Directors, Company Secretary and Senior Executives be adopted."

- Although this Resolution is advisory only, this Resolution shall be determined as if it were an ordinary resolution.
- This Resolution does not bind the Directors or the Company.

Resolution 2: Re-election of a Director (By Rotation) – Mr. Jack Telford

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That Mr. Jack Telford, being a Director of the Company, retires by rotation in accordance with clause 13.2 of the Constitution and, being eligible, is hereby re-elected as a Director of the Company."

Short Explanation: Clause 13.2 of the Constitution requires that at the Annual General Meeting, one-third of the Directors for the time being shall retire from office. A retiring Director is eligible for re-election.

Resolution 3: Re-election of a Director (By Rotation) – Mr. Jon Starink

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That Mr. Jon Starink, being a Director of the Company, retires by rotation in accordance with clause 13.2 of the Constitution and, being eligible, is hereby re-elected as a Director of the Company."

Short Explanation: Clause 13.2 of the Constitution requires that at the Annual General Meeting, one-third of the Directors for the time being shall retire from office. A retiring Director is eligible for re-election.

Resolution 4: Ratify Previous Issue of 80,000,000 Shares

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That for the purpose of Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue and allotment on 11 October 2010 of a total of 80,000,000 Shares at an issue price of \$0.04 per Share, further details of which are set out in the Explanatory Statement."

The Company will disregard any votes cast on this resolution by a person who participated in the issue and an associate of that person (or those persons). However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or if it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Short Explanation: The Company may issue no more than that number of securities that equate to 15% of its issued capital in any year without Shareholder approval.

Resolution 5: Appointment of Deloitte Touche Tohmatsu as Auditors

To consider and if thought fit, to pass with or without amendment the following resolution as an **ordinary resolution**:

"That for the purposes of section 327B of the Corporations Act 2001 and for all other purposes Deloitte Touche Tohmatsu having been nominated as auditor and having consented in writing to act in the capacity of auditor, be appointed as auditors of the Company."

Short Explanation: The Company's appointed Deloitte Touche Tohmatsu as auditors during the year and now seek Shareholder approval.

DATED THIS 19th DAY OF OCTOBER 2010

BY ORDER OF THE BOARD



Mr RJ (Jack) Telford
Director

EXPLANATORY STATEMENT

This Explanatory Statement and all attachments are important documents. They should be read carefully.

If you have any questions regarding the matters set out in this Explanatory Statement or the preceding Notice, please contact the Company, your stockbroker or other professional adviser.

Certain abbreviations and other defined terms are used throughout this Explanatory Statement. Defined terms are generally identifiable by the use of an upper case first letter. Details of the definitions and abbreviations used are set out in the Glossary contained in this Explanatory Statement.

This Explanatory Statement has been prepared for the Shareholders of Gippsland in connection with the Annual General Meeting of the Company to be held at 3.00pm (WST) on Friday 26 November 2010 at Suite 4, 1st Floor, 207 Stirling Highway, Claremont, Western Australia.

1. RESOLUTION 1 – NON BINDING RESOLUTION TO ADOPT REMUNERATION REPORT

In accordance with the Corporations Act, a resolution to adopt the Remuneration Report must be put to Shareholders. The Remuneration Report which details the Company's policy on the remuneration of non-executive directors, executive directors, the company secretary and senior executives is set out on pages 22 to 27 of the Company's 2010 Annual Report. It is also available on the Gippsland website at www.gippslandltd.com.

Voting on this resolution is advisory only and does not bind the Company or the Directors.

2. RESOLUTION 2 – RE-ELECTION OF A DIRECTOR (BY ROTATION) – MR. JACK TELFORD

Resolution 2 seeks approval for the re-election of Mr Jack Telford as a Director.

Clause 13.2 of the Constitution requires that at an Annual General Meeting of the Company one third of the Directors (except the Managing Director or any alternate Director) for the time being shall retire from office. A retiring Director is eligible for re-election.

Mr Jack Telford retires by rotation in accordance with this requirement, is eligible for re-election and puts himself forward for re-election at this Annual General Meeting.

Mr Telford has more than 30 years of senior management experience in technology and resource-based industries. Mr Telford's resource credentials include 17 years direct involvement with international companies, both private and public, at the Chief Executive Officer level. His experience has also included technology-based companies involved in complex inorganic and organic chemical manufacture. He has been involved in the pharmaceutical industry having been a past chairman and a major shareholder of the company Inovax Limited.

He holds an Associate degree in Pure Chemistry (Organic and Inorganic) having graduated from the Institute of Technology of Western Australia (now Curtin University) in 1967.

3. RESOLUTION 3 – RE-ELECTION OF A DIRECTOR (BY ROTATION) – MR. JON STARINK

Resolution 3 seeks approval for the re-election of Mr Jon Starink as a Director.

Clause 13.2 of the Constitution requires that at an Annual General Meeting of the Company one third of the Directors (except the Managing Director or any alternate Director) for the time being shall retire from office. A retiring Director is eligible for re-election.

Mr Jon Starink retires by rotation in accordance with this requirement, is eligible for re-election and puts himself forward for re-election at this Annual General Meeting.

Mr Starink's qualifications include Bachelor of Science with First Class Honours (University of Sydney), a Bachelor of Chemical Engineering with First Class Honours (University of Sydney) and a Master of Applied Science (University of Sydney). His academic achievements include; Union Carbide Prize in Inorganic Chemistry, Western Mining Prize in Chemical Engineering and Beckman Coulter Postgraduate Prize for Best Overall Performance in Molecular Biotechnology. He held the position of Deputy Head Department of Chemical Engineering at Curtin University of Technology during 1984-85 & 1987.

Mr Starink is a Chartered Professional Engineer, a Chartered Scientist and a Chartered Industrial Chemist, a Fellow of the Institution of Engineers Australia, a Fellow of the Australasian Institute of Mining and Metallurgy, a Fellow of the Institution of Chemical Engineers, a Member of The Metallurgical Society and a Member of the Royal Australian Chemical Institute.

He has 30 years experience in the mining industry in the role of both executive and non-executive director. His extensive practical and operational experience includes engineering design and project management; mining exploration management; science and engineering research & development and process innovation & development.

For ten years he served in senior technical and engineering roles with the Sons of Gwalia Ltd Greenbushes tantalum-tin project where he was directly responsible for process development, project design and construction management for the tin smelter and tantalum extraction projects.

RESOLUTION 4 – RATIFY PREVIOUS ISSUE OF 80,000,000 SHARES

On 11 October 2010, the Company announced that it had issued a total of 80,000,000 Shares at \$0.04 per Share ("**October Placement**") raising gross funds of \$3,200,000.

Subject to certain exceptions, none of which are relevant here, the Directors are restricted by Listing Rule 7.1 from issuing or agreeing to issue new securities in the Company in any 12 month period, which amount to more than 15% of the Company's ordinary securities on issue without Shareholder approval ("**15% Limit**").

Listing Rule 7.4 permits the ratification of previous issues of securities made without prior shareholder approval, provided the issue did not breach the 15% threshold set by Listing Rule 7.1. The effect of such ratification is to restore a company's maximum discretionary power to issue further securities up to 15% of the issued capital of the company without requiring shareholder approval.

The Company wishes to ratify this issue pursuant to Listing Rule 7.4, in order to allow the Company to have the right to place up to a further 15% of its issued capital at any time during the next 12 months.

The number of Shares issued under the October Placement represents approximately 14.7% of the Company's share capital on issue immediately prior to the issue of the placement Shares. This previous issue did not breach the 15% threshold set by Listing Rule 7.1.

The following information is provided to Shareholders for the purposes of Listing Rule 7.5:

- (a) A total of 80,000,000 Shares were allotted and issued.
- (b) The Shares were issued for \$0.04 per Share.
- (c) The Shares are fully paid ordinary shares that rank equally in all respect with existing Shares.
- (d) The allottees to whom the Shares were allotted are all institutional and sophisticated clients of Patersons Securities Limited.
- (e) None of the allottees are related parties to the Company or its associates.
- (f) The funds raised by the issue of the Shares the subject of Resolution 4 have and will be used to fund further development of the Company's Abu Dabbab tantalum/tin project and for working capital.

RESOLUTION 5 – APPOINTMENT OF DELOITTE TOUCHE TOHMATSU AS AUDITORS

The audit partners from PKF Perth retired and joined Deloitte Touche Tohmatsu effective 2 July 2010. Under section 329(10) of the Corporations Act (the Act), this situation means that the individual partners, were taken to be the auditor of the Company in their own right until the next annual general meeting or until they obtained the consent of ASIC to resign. In light of these exceptional circumstances, consent for the resignation was received from ASIC on 6 August 2010. A nomination for the appointment of Deloitte Touche Tohmatsu as auditor of the Company has been properly received from Eco International Pty Limited in accordance with section 328B of the Corporations Act 2001 (Cth) and a copy is attached as Annexure A to this Explanatory Statement.

The Directors resolved that the auditor of the Company be changed to Deloitte Touche Tohmatsu subject to ratification by the Shareholders of the Company at the next annual general meeting.

If resolution 5 is passed, Deloitte Touche Tohmatsu appointment as the Company's auditors for the year ended 30 June 2010 will be ratified and Deloitte Touche Tohmatsu will continue as auditors until the Directors advise otherwise.

6. ENQUIRIES

Shareholders are invited to contact the Company Secretary, Rowan Caren on (08) 9340 6000 if they have any queries in respect of the matters set out in these documents.

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GLOSSARY

"\$"	means Australian dollars;
"Annual General Meeting" or "Meeting"	means the annual general meeting the subject of the Notice;
"ASX"	means ASX Limited and, where the context permits, the Australian Securities Exchange operated by ASX Limited;
"Board"	means the board of Directors;
"Company" or "Gippsland"	means Gippsland Limited ABN 31 004 766 376;
"Constitution"	means the Company's Constitution;
"Corporations Act"	means the Corporations Act 2001 (Cth);
"Director"	means a director of the Company;
"Explanatory Statement"	means the explanatory memorandum accompanying this Notice;
"Listing Rules"	means the Listing Rules of the ASX;
"Notice", "Notice of Meeting" or "Notice of Annual General Meeting"	means the notice of annual general meeting which accompanies this Explanatory Statement;
"Resolution"	means a resolution proposed pursuant to the Notice;
"Share"	means a fully paid ordinary share in the Company;
"Shareholder"	means the holders of a Share; and
"WST"	means Australian Western Standard Time.

ANNEXURE A

LETTER OF NOMINATION FOR NEW AUDITORS

To: Mr Rowan Caren
Company Secretary
Gippsland Limited
Suite 4, 207 Stirling Highway
CLAREMONT WA 6010

Dear Mr Caren

NOMINATION OF AUDITOR

For the purpose of Section 328B(1) of the Corporations Act 2001 (Cth), we, **Eco International Pty Limited**, being a member of Gippsland Limited ("**Company**") hereby nominate Deloitte Touche Tohmatsu of Level 14, 240 St Georges Terrace, Perth, Western Australia for appointment as Auditor of the Company at the Annual General Meeting of the Company convened for 26 November 2010 at 3.00pm (WST) (or any adjournment thereof).

Signed:



RJ (Jack) Telford
Sole Director Eco International Pty Limited

Dated: 19 October 2010