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TANTALUM PROJECTS 43-101 RESOURCE & RESERVE ASSESSMENT

Gippsland Limited ("Gippsland" or the "Company") [ASX: GIP, FRA: GIX] announces that it has commissioned an independent geological consultant to prepare a Mineral Resources and Ore Reserves Report in relation to the Company's Abu Dabbab and Nuweibi tantalum deposits that will comply with the reporting requirements set forth in the Canadian National Instrument 43-101, Companion Policy 43-101CP, and Form 43-101F1.

While the Australian JORC Code[A] classification is accepted worldwide, the North American market is in general more familiar with, and tends to rely more upon, the broadly similar Canadian 43-101 classification in relation to Mineral Resources & Ore Reserves.

Gippsland Director/CEO Jack Telford stated "The preparation of a Mineral Resources & Ore Reserves Report compliant with Canadian 43-101 classification will greatly assist in positioning the Company in the North American capital markets and in marketing the Company's tantalum products to North American customers, and elsewhere".

Gippsland's 44.5 million tonne Abu Dabbab and 98 million tonne Nuweibi deposits currently comply with the JORC Code and contain the following Mineral Resources and Ore Reserves:

Table 1: Abu Dabbab Resources (100g/t Ta_2O_5 cut-off)

Category	Million Tonnes	Ta_2O_5 (g/t)	Sn (%)
Measured	15.2	290	0.143%
Indicated	17.3	250	0.078%
Inferred	12	200	0.03%
Total	44.5	250	0.09%

Table 2: Abu Dabbab Ore Reserves (100g/t Ta_2O_5 cut-off)

Category	Million Tonnes	Ta_2O_5 (g/t)	Sn (%)
Proven	15.20	260	0.133
Probable	15.04	250	0.084
Total Proven & Probable	30.24	255	0.109

Table 3: Nuweibi Resources (100g/t Ta_2O_5 cut-off)

Category	Million Tonnes	Ta_2O_5 (g/t)	Nb_2O_5 (g/t)
Indicated	48	147	90
Inferred	50	138	95
Total	98	143	92

NB: In Nuweibi the Resources have the potential to be expanded as the mineralisation is open to the east, west and at depth as diamond drill holes in these areas bottomed in mineralisation and numbers in Tables 1, 2 & 3 may not correlate exactly due to rounding.

ABOUT ABU DABBAB AND NUWEIBI TANTALUM DEPOSITS

Through its 50% owned subsidiary Tantalum Egypt JSC, Gippsland Limited owns the 44.5 million tonne Abu Dabbab tantalum-tin-feldspar project and the nearby 98 million tonne Nuweibi tantalum-feldspar deposit.

Gippsland has completed a Definitive Feasibility Study for Abu Dabbab based upon a mill feed rate of 2 million tonnes per year producing in excess of 650,000 pounds of tantalum pentoxide ("Ta_2O_5"), which will make it the world's largest tantalum miner. The Abu Dabbab project will also produce approximately 1,530 tonnes of tin metal per year.

With a resource base in excess of 142.5 million tonnes, there is ample opportunity to increase production following commencement of operations scheduled for late 2012.

A detailed Environmental Impact Assessment (EIA) has been completed to World Bank standards.

The Directors consider that the Abu Dabbab and Nuweibi deposits place the Company in a unique and highly advantageous position in the global tantalum supply chain. The project has been described by a leading electronics analyst as a "mega project" which is crucial to the reliable long-term supply of the strategic metal to the electronics and aviation industries.

TANTALUM MARKET CONDITIONS

Following the global financial crisis, world-wide tantalum sales decreased, however the past six months has seen a significant increase in feedstock demand from major tantalum refiners reportedly working to capacity, and a depletion of tantalum supply chain inventories.

As previously forecast by a number of tantalum market analysts, tantalum raw material shortages are emerging with the spot market price increasing by more than 70% since December 2009. A shortage of tantalum capacitors is now also being reported.

Gippsland Directors believe that Abu Dabbab and Nuweibi are unique as they alone have the resource base to meet the electronics industry's need for an ethical long-term source of this strategic metal.

For further information, please contact:

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Note:

In accordance with Listing Rule 5.6 of the Australian Stock Exchange Limited, the geological information in this report that relates to Exploration Results, Mineral Resources and Ore Reserves is based on data compiled by Dr John Chisholm, a Fellow of The Australasian Institute of Mining and Metallurgy. Dr Chisholm has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which 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'. Dr Chisholm consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

[A] Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Mineral Council of Australia (JORC Code)