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ABN 31 004 766 376

2007-11-27

Company Announcements Office
Australian Stock Exchange Limited
20 Bridge Street
SYDNEY NSW 2000

Regulatory News Service
London Stock Exchange Limited
London EC2 1HP
United Kingdom

Dear Sir/Madam

LISTED OPTIONS EXPIRING 31 DECEMBER 2007

Please find attached an example of correspondence that has been mailed to Gippsland Limited Optionholders.

Yours sincerely

A handwritten signature in black ink, appearing to read 'RJ Telford', with a long, sweeping horizontal line above the name.

RJ (Jack) Telford
Executive Chairman

21 November 2007

[Name]

[Address]

[Address] ... as supplied by Security Transfer

Dear Sir/Madam

LISTED OPTIONS EXPIRING 31 DECEMBER 2007

The Company wishes to remind you that you are the holder of XXX listed options (ASX/AIM Code: GIPO) in Gippsland Limited ("Gippsland") which are exercisable on or before 31 December 2007 at A\$0.09 (nine cents) each, entitling you to XXX Ordinary Fully Paid shares ("Shares") in Gippsland.

The highest and lowest closing market sale prices of the Shares on ASX during the 3 months immediately preceding the date of this letter and the respective dates of those sales were A\$0.145 on 13 November 2007 (highest) and A\$0.08 on 12 October 2007 (lowest). The latest available market sale price of the Shares on ASX immediately before the date of issue of this letter was A\$0.105 on 20 November 2007.

The highest and lowest closing market sale prices of the Shares on AIM/Plus during the 3 months immediately preceding the date of this letter and the respective dates of those sales were £0.0504 on 19 November 2007 (highest) and £0.0325 most recently on 3 October 2007 (lowest). The latest available market sale price of the Shares on AIM/Plus immediately before the date of issue of this letter was £0.0475 on 20 November 2007.

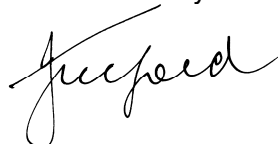
Should you wish to exercise all of your options, please take the following steps by 31 December 2007:

1. Complete the attached application form.
2. Attach a cheque for A\$XXXXXX payable to Gippsland Limited and crossed Not Negotiable.
3. Lodge the application form and cheque at the Company's Registry, Security Transfer Registrars Pty Limited, in the enclosed reply paid envelope to reach that office no later than 5.00pm WDT, 31 December 2007.

Should you not exercise all or part of your options, those options not exercised will expire and will be of no further value. In accordance with ASX Listing Rules quotation of the options will end on 20 December 2007.

We would like to take this opportunity to thank you for your continued support.

Yours sincerely



R J (Jack) Telford
Executive Chairman

GIPPSLAND LIMITED

A.B.N 31 004 766 376

(GIPO)

Terms and Conditions of the Options Expiring 31 December 2007

- (a) The Options will expire at 5.00 pm WST on 31 December 2007 ("**Expiry Date**").
 - (b) The Option is a right in favour of the option holder to subscribe for one Share.
 - (c) The option holder may exercise Options any time prior to the Expiry Date.
 - (d) Shares allotted to option holders on exercise of Options will be issued at 9 cents each ("**Exercise Price**").
 - (e) The Exercise Price of Shares the subject of the Options will be payable in full on exercise of the Options.
 - (f) Options will be exercisable by the delivery to the registered office of the Company of a notice in writing stating the intention of the option holder to:
 - (i) exercise all or a specified number of Options; and
 - (ii) pay the subscription monies in full for the exercise of each Option ("**Notice**").
- The Notice must be accompanied by a holding statement and a cheque made payable to the Company for the subscription monies for the Shares. An exercise of only some Options will not affect the rights of the option holder to the balance of the New Options held by the option holder. The Notice must be received by the Company prior to the Expiry Date.
- (g) The Company will allot the resultant Shares and deliver the holding statement within five (5) business days of the exercise of the New Options.
 - (h) The Company will apply for Official Quotation on ASX on the Options, subject to the requirements for quotation being satisfied.
 - (i) The Options are freely transferable.
 - (j) Shares allotted pursuant to an exercise of the Options shall rank, from the date of allotment, equally with existing ordinary fully paid Shares of the Company in all respects.
 - (k) The Company will in accordance with the Listing Rules make application to have Shares allotted pursuant to an exercise of Options listed for Official Quotation.
 - (l) In the event of any reconstruction (including consolidation, subdivision, reduction or return) of the authorised or issued capital of the Company, the number of the Options or the exercise price of the New Options or both will be reconstructed (as appropriate) in accordance with the Listing Rules of ASX.
 - (m) The Options will not give any right to participate in dividends, bonus issues or new issues until Shares are allotted pursuant to the exercise of the relevant Options. There is no right to change the exercise price of Options if the Company completes a bonus or new issue.

NOTICE OF EXERCISE OF OPTIONS

Gippsland Limited
Suite 4
207 Stirling Highway
CLAREMONT WA 6010

Share Registry:
Security Transfer Registrars Pty Ltd
PO BOX 535
APPLECROSS WA 6953
Email: registrar@securitytransfer.com.au
Website: www.securitytransfer.com.au
Ph: (618) 9315 2333 Fax: (618) 9315 2233

I/We..... Shareholder Number:

Of
.....
.....

Being the registered holder of Options hereby exercise such Options to subscribe for Ordinary fully paid shares at **\$0.09** per share. I/We enclose application money of \$ And authorise you to register me/us as the holder of the shares to be allotted to me/us and /we agree to accept such shares subject to the Rules of the Constitution of the Company

Individual or Holder 1

Director

Securityholder 2

Director/Secretary

Securityholder 3

Sole Director/Secretary

Date:

Day / Month / Year

Contact Name

Contact Telephone Number

This application, with application money in Australian Currency, should be lodged at the Company's Share Registry on or before the Expiry Date.

NOTE: Cheque should be made payable to "Gippsland Limited" and forwarded to Security Transfer Registrars Pty Ltd.