

15 March 2012

COMPLETION OF \$2.44 MILLION RIGHTS ISSUE

The Directors of Gippsland Limited [ASX: GIP, Deutsche Borse: GIX] ("**Gippsland**" or "**the Company**") advise the successful conclusion of its 1 for 5 Rights Issue. In all, 78% (over 127 million) of the shares on offer were subscribed for. The remaining 35 million shares on offer will be taken up by the sub-underwriter, Gandel Metals Pty Ltd as trustee for the Gandel Metals Trust, for a total raising of **\$2.44 million** before issue costs.

Highlights

- Endorsement of the continued focus of the Company since the changes in management in November 2010 with major shareholders and several directors taking up their full entitlement;
- Gandel Metals and its associate Abbotsleigh Pty Limited to increase its substantial shareholding in Gippsland from 30.1% to 33.7%. The entities are related parties of the Company's Chairman, Mr Ian Gandel.
- Funds raised will be allocated to an extensive exploration program in Eritrea which will include substantial drilling, construction of alluvial plant for the Abu Dabbab alluvial tin project, costs associated with seeking a financing of the Abu Dabbab tin tantalum project, working capital and issue costs.

The Board is very pleased to have received such a strong vote of support from shareholders and believes that this is an outstanding result in the current capital market.

For further information, please contact

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