



ASX & Media Release
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CONFIRMATION OF JORC CODE TANTALUM RESOURCES – 138 MILLION TONNES

On 22 September 2003 the Directors of Gippsland Limited ("Gippsland" or "the Company") announced that Gippsland's 50%-owned joint venture company Tantalum Egypt had been granted an exploration licence ("Licence") over the Nuweibi tantalum-feldspar deposit ("Nuweibi Deposit") located 15km from the 40 million tonne Abu Dabbab tantalum-feldspar project which is also owned by Tantalum Egypt.

The Nuweibi Deposit was discovered during the 1970s by joint Egyptian-Soviet geological expeditions whose members subsequently explored the deposit in detail. The extensive exploration completed included 21 diamond drill holes totalling 2,746m, trenching, surface sampling and metallurgical testwork.

Having now synthesised all available geological data pertaining to the Nuweibi Deposit the Company announces the following resource estimates which conform with the JORC Code. The resources were estimated using the ore block model method using 5m square blocks at a tantalum pentoxide ("Ta₂O₅") cut-off of 100g/t.

Table 1: Nuweibi Summary of Resources

Resource Category	Tonnes	Grade (Ta ₂ O ₅)	Contained Ta ₂ O ₅
Indicated	48.1 M	147 g/t	15.9 M lb
Inferred	51 M	138 g/t	15.7 M lb
Total Indicated & Inferred	98.1 M	143 g/t	31.6 M lb

Note: Minor mismatch of totals due to rounding of tonnes & grade

The above resource estimates compare favourably with the Soviet C1 plus C2 resource categories of 82Mt at 149g/t at a cut-off of 120g/t Ta₂O₅.

Potential for Additional Resources

The modelling indicates that the potential exists for a significant increase in Nuweibi resources to the east as most of the eastern diamond drill holes bottomed in mineralisation.

The Nuweibi resources above may be compared with those of the nearby Abu Dabbab project as follows:



Table 2: Abu Dabbab Summary of Resources

Resource Category	Tonnes	Grade (Ta ₂ O ₅)	Contained Ta ₂ O ₅
Measured	12.0 M	274 g/t	7.247 M lb
Indicated	2.1 M	260 g/t	1.18 M lb
Inferred	26 M	240 g/t	13.7 M lb
Total Indicated & Inferred	39.9 M	252 g/t	22.1 M lb

Note: Minor mismatch of totals due to rounding of tonnes & grade

Table 3: Summary of Nuweibi drill-hole locations

Hole	North	East	RL	Depth	Azimuth	Dip
N1	1728.30	2139.12	356.09	150.25	0	-90
N2	1735.88	2436.30	369.78	166.00	0	-90
N3	1832.80	2137.20	359.70	169.80	0	-90
N4	1841.50	2232.90	370.40	154.90	0	-90
N5	1846.57	2354.55	380.01	118.80	0	-90
N6	1854.69	2506.10	379.37	200.00	0	-90
N7	1951.89	2057.34	348.64	78.60	0	-90
N8	1949.05	2128.59	375.41	100.50	0	-90
N9	1945.27	2241.87	360.00	100.00	0	-90
N10	1954.24	2339.04	398.09	101.30	0	-90
N11	1956.16	2477.89	398.14	200.10	0	-90
N12	2047.63	2155.54	338.23	57.60	0	-90
N13	2050.82	2387.56	412.76	100.20	0	-90
N14	2180.53	2161.31	388.07	100.40	0	-90
N15	2173.47	2292.80	397.15	149.50	0	-90
N16	2166.86	2370.02	394.27	100.80	0	-90
N17	2154.48	2457.96	417.63	130.10	0	-90
N19	2153.50	2650.65	394.95	98.90	275	-42
N21	2258.43	2431.28	410.30	101.50	0	-90
N22	2257.00	2331.00	400.49	100.30	0	-90
N23	2351.09	2188.16	337.76	70.80	0	-90

Nuweibi mineralisation is exposed as a hill of up to 115 metres in height above the wadi floor while diamond drilling programmes determined that the mineralisation extends to 200 metres below the wadi floor. The deposit is well suited to open-pit mining at an expected waste/ore strip ratio of less than 1.5:1.

During March 2003, the international engineering group Lycopodium Pty Ltd undertook a scoping study which determined an Abu Dabbab Project NPV of US\$127.1 million at a 6% discount rate, an IRR of 36%, and an operating margin of US\$346 million during the first 21 years of the estimated 40 year mine life.



The Directors consider that the 40Mt Abu Dabbab deposit having an estimated operating cost of Ta₂O₅ production net of tin and feldspar credits of less than US\$5/lb, places Tantalum Egypt in a most advantageous position within the global tantalum industry. The acquisition of the 98Mt Nuweibi Deposit further emphasises Tantalum Egypt's presence within the tantalum sector.

The Egyptian incorporated company Tantalum Egypt is owned equally by Gippsland and the Egyptian Geological Survey & Mining Authority (a state agency of the Egyptian Government).

Lycopodium is presently undertaking the Abu Dabbab bankable feasibility study which will take into account the various investment incentives provided pursuant to *Egyptian Law No. 8/1997 - Investment Guarantees and Incentives*, which was established specifically to encourage foreign investment in Egypt. Law No. 8/1997 provides numerous benefits including protection against nationalisation, free export trade of products, a maximum of 5% customs import duty, and exemption from a number of taxes, including stamp duty and land tax. The provisions of Law No. 8/1997 will also enable Tantalum Egypt to enjoy a twenty (20) year exemption from taxation of profits. These investment incentives shall apply to both the Abu Dabbab and Nuweibi deposits.

RJ (Jack) Telford
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Note:

In accordance with Listing Rule 5.10 of the Australian Stock Exchange Limited, the geological information in this report that relates to mineral resources and ore reserves is based on information compiled by Gippsland Director Dr John Chisholm, who is a Fellow of the Australasian Institute of Mining and Metallurgy, with over 30 years experience in the mining industry.