

GIPPSLAND SECURED INVESTMENTS LIMITED

ABN 71 004 860 057 AFSL 241373

REPORT TO THE TRUSTEE: QUARTER TO 30th JUNE 2010

ISSUER QUARTERLY REPORTING CHECKLIST

File code: /

Issuer: **Gippsland Secured Investments Ltd.**
Debenture: **Prospectus No. 15 dated 26th February 2010**
Trustee: **The Trust Company (Nominees) Limited**
Trust Deed: **Dated 22nd December 1995 (as amended)**
Period of Report: **01/04/2010 to 30/06/2010**
Date of Report: **28th July 2010**

Instruction: Your response to each item below is to be supported where necessary by reasoning and attaching or making reference to appropriate relevant supporting documentation.

Item No.	Item	Confirmed? Y/N	Comments
Corporations Act 2001 – Chapter 2L			
1.	The Issuer and any guarantor has complied at all times with the terms of the Debentures, the Trust Deed and Chapter 2L of the Corporations Act 2001 during the Period.	<input checked="" type="checkbox"/> Yes (Complied) <input type="checkbox"/> No (Please provide details)	
2.	No circumstances arose during the Period that has caused, or could cause, one or more of the following: (i) any amount deposited or lent under the Debentures to become immediately payable; (ii) the Debentures to become immediately enforceable; (iii) any other right or remedy under the terms of the Debenture or provisions of the Trust Deed to become immediately enforceable.	<input checked="" type="checkbox"/> No circumstances arose <input type="checkbox"/> Circumstances arose (Please provide details)	
3.	No circumstances arose during the Period that materially prejudice: (i) the Issuer, any of its subsidiaries, or any of the guarantors; or (ii) any security or charge included in or created by the Debentures or the Trust Deed.	<input checked="" type="checkbox"/> No circumstances arose <input type="checkbox"/> Circumstances arose (Please provide details)	
4.	There has been no substantial change in the nature of the business of the Issuer, any of its subsidiaries, or any of the guarantors that has occurred during the Period.	<input checked="" type="checkbox"/> No substantial change <input type="checkbox"/> Change(s) occurred (Please provide details)	
5.	None of the following events happened during the	<input checked="" type="checkbox"/> No event	

Item No.	Item	Confirmed? Y/N	Comments
	Period: (i) the appointment of a guarantor; (ii) the cessation of liability of a guarantor body for the payment of the whole or part of the money for which it was liable under the guarantee; or (iii) a change of name of a guarantor (if this happens, the Issuer's quarterly report must also disclose the guarantor's new name).	<input type="checkbox"/> Event(s) occurred (Please provide details)	
6.	The net amount outstanding on any advances at the end of the Period if the Issuer has created a charge where: (i) the total amount to be advanced on the security of the charge is indeterminate; and (ii) the advances are merged in a current account with bankers, trade creditors or anyone else.	<input checked="" type="checkbox"/> N/A <input type="checkbox"/> If applies equals: \$A: \$A:	
7.	The Issuer is not aware of any other matters that may materially prejudice any security or the interests of the Debenture holders.	<input type="checkbox"/> Issuer is not aware <input checked="" type="checkbox"/> Other matters (Please provide details)	As a result of the introduction by the government of the Deposit Guarantee Scheme in October 2008, there may be a bias against the interests of debenture holders at that time in that investments in ADI's became guaranteed.
8.	[283BF(5)] If the borrower has deposited any money with, or lent money to, a related body corporate during the quarter, the report must also include details of: (i) the totals of money deposited with, or lent to, a related body corporate during the quarter; and (ii) (ii) the total amount of money owing to the borrower at the end of the quarter in relation to those loans.	<input checked="" type="checkbox"/> N/A <input type="checkbox"/> If applies equals: \$A: \$A:	
9.	[283BF(6)] If the body corporate has assumed a liability of a related body corporate during the quarter, the report must include details of the liability assumed during the quarter and the extent of the liability as at the end of the quarter.	<input checked="" type="checkbox"/> N/A <input type="checkbox"/> Yes Details of the liability:	
10.	For the purposes of 283BF(5) & (6) above, the report; (i) Must distinguish between deposits, loans and assumptions of liability that are secured and those that are unsecured; and (ii) May exclude any deposit, loan or assumption of liability on behalf of the related body corporate if it has: (I) guaranteed the repayment of the debenture of the borrower; and	<input checked="" type="checkbox"/> N/A <input type="checkbox"/> If applicable, please provide details:	

Item No.	Item	Confirmed? Y/N	Comments
	(II) secured the guarantee by a charge over all of its property in favour of the trustee.		
Corporations Act 2001 – Financial Reports and Audit			
11.	The Issuer has complied in all respects with its obligations under Chapter 2M (dealing with financial reports and audit) of the Corporations Act 2001.	<input checked="" type="checkbox"/> Yes (Complied and no circumstances arose) <input type="checkbox"/> No (Please provide details of non compliance)	
12.	The Issuer has complied with all requirements and any recommendations in the Auditors benchmark report for RG 69 (PF223).	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (Please provide details)	
Corporations Act 2001 – Disclosure			
13.	The Issuer has complied at all times with the requirements of Chapter 6CA (dealing with continuous disclosure) of the Corporations Act 2001 and no circumstances arose during the Period that required the Issuer to issue a supplementary prospectus, replacement prospectus or issue a continuous disclosure notice. If so, advise what steps have been taken.	<input checked="" type="checkbox"/> Yes (Complied and no circumstances arose) <input type="checkbox"/> No (Please provide details of non compliance)	
Regulatory Guide 69 (25/6/2010 version)			
14.	The Issuer has made all necessary disclosures against the benchmarks in its disclosure documents and all disclosures remain true and correct.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (Please provide details) <input type="checkbox"/> N/A (if debenture listed)	
15.	The Issuer continues to meet all benchmarks that the Issuer has stated in disclosure that it meets.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (Please provide details) <input type="checkbox"/> N/A (if debenture listed or otherwise exempt)	
16.	Where the Issuer has disclosed that it does not meet the benchmarks on an "if not, why not" basis, the disclosure the Issuer has made continues to be correct and accurate in all material respects and is not misleading.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (Please provide details) <input type="checkbox"/> N/A (if debenture listed or otherwise exempt)	
17.	The Issuer has provided full details to the Trustee in respect to related party dealings in compliance with RG69.99.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (Please provide details)	
18.	The Issuer <i>attaches</i> a schedule of the promises it has made in disclosure documents it has issued and confirms that it has complied with each of the	Y	Refer to GSI's current Prospectus available at www.gsi.com.au

Item No.	Item	Confirmed? Y/N	Comments
	promises it has made in those disclosure documents.		
Trust Deed			
19.	The Issuer has provided the Trustee with copies of all material notifications to ASIC or investors during the Quarter including regarding changes in its officers and charges.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (Please provide details)	
20.	<p>The Issuer covenants or reports that;</p> <ul style="list-style-type: none"> ◆ the amount stated of Debenture Stock was on issue as at the last date of the Period. Stock has been issued in the following State; 	<div style="border: 1px solid black; padding: 2px;">\$A: 105,777,216</div> <div style="border: 1px solid black; padding: 2px;">State or Territory: Predominantly Victoria</div>	
	<ul style="list-style-type: none"> ◆ borrowing limitations as set out under the Trust Deed have not been exceeded; ◆ no other matters exist which may materially prejudice any security or interest of debenture holders; ◆ no changes have occurred in relation to accounting or valuation methods and policies and that no circumstances have occurred which would lead to existing methods of valuation to be misleading or inappropriate; ◆ assets held for resale in the relevant accounts appear at realisable value in the ordinary course of business; ◆ that Directors are not aware of any material change in the laws of any place which might affect the enforceability of guarantees and charges given to or in favour of the Trustee; 	<input checked="" type="checkbox"/> Not exceeded <input type="checkbox"/> Exceeded (Please provide details) <input checked="" type="checkbox"/> No matters <input type="checkbox"/> Matters exist (Please provide details) <input checked="" type="checkbox"/> None <input type="checkbox"/> Changes occurred (Please provide details) <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No (Please provide details) <input checked="" type="checkbox"/> Yes (Not aware) <input type="checkbox"/> Changes (Please provide details)	
21.	<u>Clause 9.07(b)(ii)</u> The Issuer confirms that all covenants and provisions pursuant to the Trust Deed have been observed, complied with and performed.	Y	
22.	<u>Clause 9.07(b)(iii)</u> The Issuer confirms that no event has happened which would cause default provisions of the Trust Deed to become enforceable or the stock repayable.	Y	
23.	<u>Clause 9.07(b)(iv)</u> The Issuer confirms that no circumstances have occurred affecting the Company which would	Y	

