

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

Greenearth Energy Limited

ABN

60 120 710 625

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|--|
| 1 | +Class of +securities issued or to be issued | Ordinary Shares and Incentive Options |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | Up to 45,040,886 Ordinary Shares and
Up to 45,040,886 Unlisted Incentive Options |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | As per all other Ordinary Shares on issue. Each ordinary share issued will also be accompanied by an unlisted incentive option for no additional consideration, exercisable at 5 cents per option at any time during the period from 15 April 2012 to 15 October 2012. |

+ See chapter 19 for defined terms.

4	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?	Yes				
	<p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 					
5	Issue price or consideration	8 cents per new share				
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	To enable the Company to advance its suite of current renewable energy projects and technologies as well as provide working capital as set out in the Prospectus				
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	25 October 2011 (and subsequently if required)				
8	Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)	<table border="1"> <thead> <tr> <th data-bbox="695 1536 995 1570">Number</th> <th data-bbox="995 1536 1294 1570">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="695 1570 995 1805">188,163,543</td> <td data-bbox="995 1570 1294 1805">Ordinary Shares</td> </tr> </tbody> </table>	Number	+Class	188,163,543	Ordinary Shares
Number	+Class					
188,163,543	Ordinary Shares					

+ See chapter 19 for defined terms.

9	Number and ⁺ class of all ⁺ securities not quoted on ASX (including the securities in clause 2 if applicable)	<table border="1"> <thead> <tr> <th data-bbox="766 224 1005 257">Number</th> <th data-bbox="1005 224 1409 257">⁺Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="853 291 997 324">45,040,886</td> <td data-bbox="1021 291 1396 392">Incentive Options exercisable at 5 cents expiring on 15 October 2012</td> </tr> <tr> <td data-bbox="869 414 997 448">2,000,000</td> <td data-bbox="1021 414 1396 548">Options exercisable at 45 cents expiring on 30 September 2012 (Tolhurst options)</td> </tr> <tr> <td data-bbox="869 571 997 604">3,000,000</td> <td data-bbox="1021 571 1396 705">Options exercisable at 45 cents expiring on 30 September 2012 (Director Options)</td> </tr> <tr> <td data-bbox="869 728 997 761">1,000,000</td> <td data-bbox="1021 728 1396 862">Options exercisable at 45 cents expiring on 30 September 2012 (Staff Options)</td> </tr> <tr> <td data-bbox="869 884 997 918">2,000,000</td> <td data-bbox="1021 884 1396 1019">Options exercisable at 20 cents expiring on 30 September 2012 (Managing Directors Options)</td> </tr> </tbody> </table>	Number	⁺ Class	45,040,886	Incentive Options exercisable at 5 cents expiring on 15 October 2012	2,000,000	Options exercisable at 45 cents expiring on 30 September 2012 (Tolhurst options)	3,000,000	Options exercisable at 45 cents expiring on 30 September 2012 (Director Options)	1,000,000	Options exercisable at 45 cents expiring on 30 September 2012 (Staff Options)	2,000,000	Options exercisable at 20 cents expiring on 30 September 2012 (Managing Directors Options)
Number	⁺ Class													
45,040,886	Incentive Options exercisable at 5 cents expiring on 15 October 2012													
2,000,000	Options exercisable at 45 cents expiring on 30 September 2012 (Tolhurst options)													
3,000,000	Options exercisable at 45 cents expiring on 30 September 2012 (Director Options)													
1,000,000	Options exercisable at 45 cents expiring on 30 September 2012 (Staff Options)													
2,000,000	Options exercisable at 20 cents expiring on 30 September 2012 (Managing Directors Options)													
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	The Company does not presently have a dividend policy												

+ See chapter 19 for defined terms.

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	Shareholder approval is not required
12	Is the issue renounceable or non-renounceable?	Non-renounceable
13	Ratio in which the +securities will be offered	1 New Share for every 2 Shares held, plus 1 Incentive Option for every New Share issued
14	+Class of +securities to which the offer relates	Ordinary Shares and Unlisted Incentive Options
15	+Record date to determine entitlements	7pm (Melbourne Time) on 22 September 2011
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	No
17	Policy for deciding entitlements in relation to fractions	Fractional entitlements will be rounded up
18	Names of countries in which the entity has +security holders who will not be sent new issue documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	All countries outside Australia
19	Closing date for receipt of acceptances or renunciations	5pm (Melbourne Time) on 17 October 2011
20	Names of any underwriters	Not Underwritten
21	Amount of any underwriting fee or commission	Not Applicable
22	Names of any brokers to the issue	Not Applicable

+ See chapter 19 for defined terms.

23	Fee or commission payable to the broker to the issue	Not Applicable
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	Fee of 5% on applications received with clearly identified Brokers code or "stamp"
25	If the issue is contingent on +security holders' approval, the date of the meeting	Not Applicable
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	26 September 2011
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	14 September 2011
28	Date rights trading will begin (if applicable)	Not Applicable
29	Date rights trading will end (if applicable)	Not Applicable
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	Not Applicable
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Not Applicable
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	Not Applicable
33	+Despatch date	25 October 2011

+ See chapter 19 for defined terms.

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories

1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional +securities

+ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38 Number of securities for which
+quotation is sought

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39 Class of +securities for which
quotation is sought

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40 Do the +securities rank equally in
all respects from the date of
allotment with an existing +class
of quoted +securities?

If the additional securities do not
rank equally, please state:

- the date from which they do
- the extent to which they
participate for the next
dividend, (in the case of a
trust, distribution) or interest
payment
- the extent to which they do
not rank equally, other than in
relation to the next dividend,
distribution or interest
payment

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41 Reason for request for quotation
now

Example: In the case of restricted securities, end
of restriction period

(if issued upon conversion of
another security, clearly identify
that other security)

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	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)		

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here:

(Company secretary)

Date: 14 September 2011

Print name: Vicki Kahanoff

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