

# 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

**GEODYNAMICS LIMITED**

ABN

**55 095 006 090**

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

**Shares** - Fully Paid ordinary shares  
**Options** - Options to acquire fully paid ordinary shares

2 Number of +securities issued or to be issued (if known) or maximum number which may be issued

**Shares** – 221,970  
**Unlisted Employee Options** – 1,278,452

**Appendix 3B**  
**New issue announcement**

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- 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)

**Shares** – Shares have been granted under the Company’s new Deferred Employee Share Plan approved by the Geodynamics Board on 9 October 2008. Key terms are that subject to the rules, terms and conditions of the Geodynamics Limited Deferred Employee Share Plan Trust Deed, employees will be entitled to the shares allocated if employed by Geodynamics Limited on the date thirty six months from the date of allocation.

**Unlisted Employee Options** – Options have been granted under the Company’s new Employee Option Plan approved by the Geodynamics Board on 9 October 2008. Key terms are as follows:

*Number and Exercise Price* – A total of 1,278,452 Options have been granted at an exercise price of 104 cents per share reflecting the 5 day VWAP to 27 March 2009.

*Exercise Period and Expiry Date* – There are three vesting scales of 12, 24 and 35 months respectively. Options will only be exercisable should the last five trading day average of the Geodynamics closing share price up to the day of vesting be greater than the exercise price adjusted for 15% compound annual growth over the vesting period.

Expressed as a percentage of the total number of options granted to months since the date of allocation, the options shall vest according to the following scale:

12 months since date of grant – 30%  
24 months since date of grant – 30%  
35 months since date of grant – 40%

The performance hurdles will be tested at each vesting point. Options will vest according to satisfaction of the performance hurdles. Any Options that do not vest as a result of the performance hurdles not being satisfied will be added to the next vesting date where the performance hurdles will be tested again.

The last exercise date for all tranches is 36 months after the date of grant

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+ 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?

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

**Shares - Yes**

**Options - All shares issued upon the exercise of the options will rank equally in all respects with the existing fully paid ordinary shares.**

5 Issue price or consideration

**Shares – Performance Incentive for staff members**  
**Unlisted Employee Options – Performance Incentive for staff members**

6 Purpose of the issue  
(If issued as consideration for the acquisition of assets, clearly identify those assets)

**Shares – Issued to staff under the Company’s new Deferred Employee Share Plan as part of the Long Term Incentive Plan (retention component).**  
**Unlisted Employee Options – Issued to staff under the Company’s new Employee Option Plan as part of the Long Term Incentive Plan.**

7 Dates of entering +securities into uncertificated holdings or despatch of certificates

31 March 2009

8 Number and +class of all +securities quoted on ASX (*including* the securities in clause 2 if applicable)

Number	+Class
290,070,370	Ordinary shares fully paid (GDY)
72,455,900	Options expiring 8/12/09 exercisable at \$1.50 per share

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)

Number	+Class
20,667	Options expiring 27/05/09 exercisable at 105 cents (GDYAS)
66,667	Options expiring 13/07/09 exercisable at 118 cents (GDYAU)
100,000	Options expiring 23/09/09 exercisable at 142 cents (GDYAY)
200,000	Options expiring 24/11/09 exercisable at 119 cents (GDYAW)
245,000	Options expiring 07/03/10 exercisable at 155 cents (GDYAZ)
510,000	Options expiring 14/07/10 exercisable at 160 cents (GDYAA)
370,000	Options expiring 23/11/10 exercisable at 160 cents (GDYAB)
33,000	Options expiring 4/11/10 exercisable at 168 cents (GDYAC)
182,500	Options expiring 23/8/10 exercisable at 98 cents (GDYAD)
85,000	Options expiring 18/9/10 exercisable at 105 cents (GDYAF)
115,000	Options expiring 10/4/11 exercisable at 109 cents (GDYAH)
80,000	Options expiring 23/3/11 exercisable at 119 cents (GYDAJ)
286,000	Options expiring 14/11/11 exercisable at 184 cents (GDYAK)
300,000	Options expiring 31/7/12 exercisable at 109 cents (GDYAN)
457,000	Options expiring 25/3/12 exercisable at 132 cents (GDYAL)
210,000	Options expiring 27/8/11 exercisable at 148 cents (GDYAL)
100,000	Options expiring 15/4/12 exercisable at 153 cents (GDYAL)
80,000	Options expiring 30/6/12 exercisable at 153 cents (GDYAL)
100,000	Options expiring 14/4/12 exercisable at 156 cents (GDYAL)
165,000	Options expiring 22/6/12 exercisable at 161 cents (GDYAL)
237,000	Options expiring 18/5/12 exercisable at 169 cents (GDYAL)
70,000	Options expiring 1/6/12 exercisable at 173 cents (GDYAL)
72,000	Options expiring 15/6/12 exercisable at 174 cents (GDYAL)
300,000	Options expiring 28/7/12 exercisable at 155 cents
314,400	Options expiring 1/7/12 exercisable at 153 cents
230,000	Options expiring 14/7/12 exercisable at 149 cents
300,000	Options expiring 14/7/12 exercisable at 130 cents
2,973,356	Options expiring 4/11/11 exercisable at 74 cents
3,376,820	Options expiring 25/11/11 exercisable at 76 cents
1,278,452	Options expiring 30/03/12 exercisable at 104 cents
<b>12,857,862</b>	<b>TOTAL EMPLOYEE OPTIONS</b>

+ See chapter 19 for defined terms.

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)

**Shares** - Identical to existing quoted ordinary shares  
**Options** - There is no entitlement for the option holder to participate in dividends until the options have been exercised.

## Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	N/A
12	Is the issue renounceable or non-renounceable?	N/A
13	Ratio in which the +securities will be offered	N/A
14	+Class of +securities to which the offer relates	N/A
15	+Record date to determine entitlements	N/A
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	N/A
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>	N/A
19	Closing date for receipt of acceptances or renunciations	N/A
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	N/A

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+ See chapter 19 for defined terms.

25	If the issue is contingent on +security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	N/A
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	N/A
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	+Despatch date	N/A

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+ 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

*(If the additional securities do not form a new class, go to 43)*

*Tick to indicate you are providing the information or documents*

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

36  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

*(now go to 43)*

### Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought

39 Class of +securities for which quotation is sought

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+ See chapter 19 for defined terms.



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

N/A
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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)

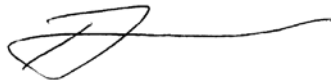
N/A
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	Number	+Class
42 Number and +class of all +securities quoted on ASX ( <i>including</i> the securities in clause 38)	N/A	

+ 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) of the Corporations Act 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:

Date: 30 March 2009

Company Secretary

Print name: Paul Michael Frederiks

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+ See chapter 19 for defined terms.