



1 December 2010

ASX Limited  
Company Announcements Office  
Level 4, Exchange Centre  
20 Bridge Street  
SYDNEY NSW 2000

### **Rights Issue Closure and Notice of Shortfall**

Kairiki Energy Limited advises that the fully underwritten pro-rata renounceable rights issue pursuant to the Offer Document dated 27 October 2010, closed on 26 November 2010 (**Rights Issue or Offer**).

The Rights Issue offered, to eligible shareholders, one (1) new share for every five (5) shares held on the record date, at an issue price of 4 cents per share.

Shares validly applied for under the Offer and the number of shortfall shares is summarised below:

	<b>Number</b>	<b>Subscription amount at 4 cents per share</b>
Total Shares offered	128,982,000	\$5,159,280.00
Shares validly applied for under the Offer	104,027,670	\$4,161,106.80
<b>Shortfall available to be placed by the Underwriter</b>	<b>24,954,330</b>	<b>\$998,173.20</b>

The 24,954,330 shortfall shares will be placed by the underwriter, Patersons Securities Limited, pursuant to the terms of the underwriting agreement.

Yours faithfully

N J Bassett  
Company Secretary