



29 October 2008

Australian Securities Exchange Limited
Company Announcements Office
Level 4 Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Kairiki closes on second Sicily Channel Permit in the Mediterranean Sea

Kairiki Energy Limited (ASX:KIK) is pleased to announce that the acquisition of the offshore Exploration Permit G.R15.PU (Pantelleria) within Italian waters was completed today. This block is contiguous to the offshore Tunisian Kerkouane Permit where the acquisition closed on 31 July 2008. Kairiki will hold 30% interest in both Permits and AuDAX Resources Limited (ASX:ADX) is the operator and will hold a 70% interest.

Kairiki's Managing Director Mr Craig Gumley commented "We are pleased that both transactions have now closed on the Sicily Channel Permits. The large drill-ready Sambuca prospect is arguably one of the best undrilled oil prospects in the Mediterranean. ENI's recent successes in offshore Sicily with the Cassiopea discovery and the Argo appraisal well, where the operator estimates recoverable gas resources of 18 billion cubic metres (~0.5 TCF), clearly demonstrates the prospectivity of the Sicily Channel region.

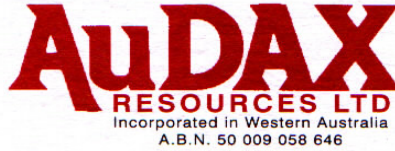
These Sicily Channel assets provide significant growth opportunities beyond our Philippines SC 54 asset where we have just completed our 100% successful shallow water drilling campaign."

Please also find attached a copy of the ASX announcement issued by the operator of the Sicily Channel Permits, AuDAX Resources Limited.

For further information please contact:

Craig Gumley
Managing Director
Kairiki Energy Limited
61 (8) 9388 6711

Laurie Brown
Exploration Director
Kairiki Energy Limited
61 (8) 9388 6711



ASX Release
29 October 2008

AuDAX closes on second Sicily Channel Permit in the Mediterranean Sea

AuDAX Resources Ltd (ASX:ADX) is pleased to announce that the acquisition of the offshore Exploration Permit G.R15.PU (Pantelleria) within Italian waters was completed today (see attached map).

This block is contiguous to the offshore Tunisian Kerkouane Permit where the acquisition closed on 31 July 2008. AuDAX is the operator and holds a 70% interest and Kairiki holds a 30% interest.

Previous exploration work within the Pantelleria and Kerkouane Permits has identified a number of prospects and leads, the most prospective with the largest resource potential being the drill-ready Sambuca prospect.

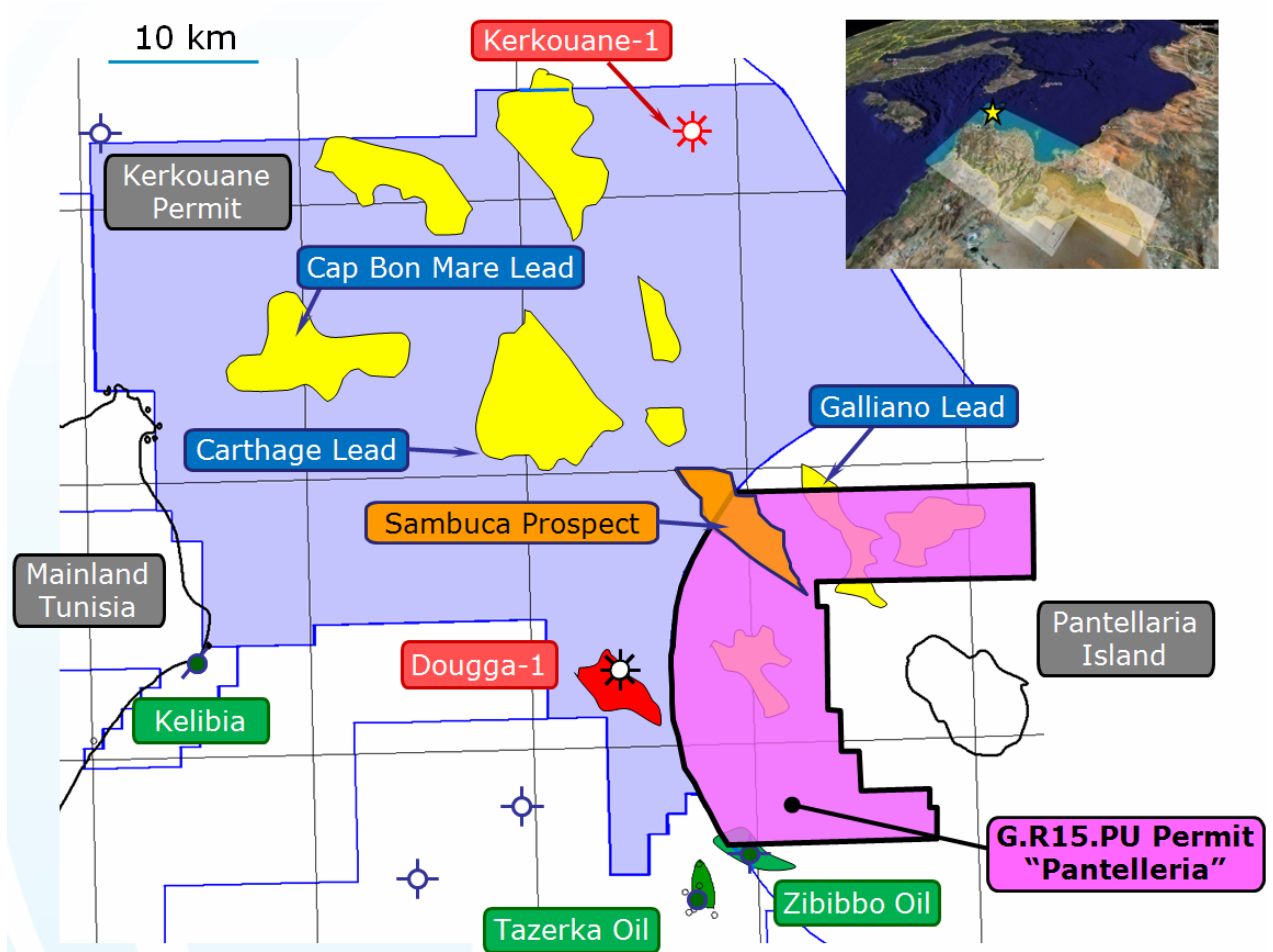
The Sambuca structure extends west into the adjacent Kerkouane Permit across the Italian-Tunisian maritime border. Whilst Sambuca is one of the standout exploration prospects in both Permits the Joint Venture plans to mature the remaining prospect inventory comprising predominantly structural targets over the coming few months. The forward work program for the Pantelleria Permit requires completing the tendering process for an offshore rig and receiving environmental approvals for offshore drilling.

To facilitate this, the Joint Venture has engaged a drilling management consultant to prepare for a high impact exploration drilling campaign and to secure a suitable drilling rig.

For further details please contact:

Gary Roper
Chairman
61 (8) 9328 4622

Wolfgang Zimmer
Managing Director
43 (0) 676 358 1214



The location of the offshore Pantelleria Permit (G.R15.PU) in Italian waters showing key prospects and leads within the Pantelleria Permit and the adjoining offshore Tunisian Kerkouane Permit.