



28 September 2010

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

Director Appointment and Resignation

The Directors of Kairiki Energy Limited ("Kairiki") wish to advise that IMC's nominee director on the Board of Kairiki, Mr John Morton has resigned from the Board.

Mr Morton has advised Kairiki that he has resigned so as to avoid any future situation that may impact his independence or his capacity to fully discharge his role as a director of Kairiki. IMC currently holds the Company's convertible notes in the amount of US\$9.5m and holds 22.87 million shares.

Kairiki has appointed Mr Neville Basset to fill the vacancy resulting from Mr Morton's resignation and will be looking to appoint a new Director with the requisite oil and gas skills and experience in the near term.

Mr Neville Basset is currently a non executive director of a number of resource companies. He specialises in the area of corporate consulting, financial management and advisory services, consulting to a number of publicly listed and private companies in a diverse range of industry sectors. He has experience in company listings and capital raisings and his involvement in the corporate arena has also taken in mergers and acquisitions. Through exposure in the Australian financial markets, Mr Bassett has a wealth of understanding of matters pertaining to the Corporations Act, ASX listing requirements, corporate taxation and finance.

Under IMC's convertible note agreement with Kairiki, IMC is entitled to appoint a nominee Director to the Board, however, at this time IMC has elected not to appoint a representative to the Board.

For further information please contact:

Mark Fenton
Managing Director
Phone: +61 8 9388 6711

Capital Structure

Shares	560.909 m
Unlisted Options	2.500 m
Total:	563.409 m

Convertible Notes	70.073 m
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Board of Directors

Paul Fry	Non Exec Chairman
Mark Fenton	Managing Director
Neville Basset	Non Exec Director

Assets

Philippines:

- SC 54A - KIK: 30.1%

Current Status:

- Tindalo oilfield currently producing under EWT

- SC 54B - KIK: 40%

Current Status:

- Gindara prospect drill ready;
- Seeking farminee.

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Corporate Profile

Kairiki Energy is an Australian Based junior international oil and gas exploration and production company focussed on the Philippines. Kairiki holds a 30.1% interest in Service Contract 54A and a 40% interest in Service Contract 54B.

SC 54A measures 862 km² and contains the Tindalo, Yakal, Nido 1X1 and Signal Head oil discoveries and a substantial portfolio of similar low-risk reefal prospects. In December 2009, Kairiki announced that the SC 54A Joint Venture had approved the development of the Tindalo field with first oil expected in 2Q 2010 and an expected initial oil production rate of between 7,000-15,000 barrels of oil per day (2,450 – 5,250 bopd net to Kairiki.) The Tindalo development utilises a jack-up rig and a dynamically positioned storage vessel and is now in production. Based on a successful development at Tindalo a number of follow-up developments may be considered in SC 54A.

SC 54B measures 3184 km² and contains the Gindara prospect which has a mean unrisks oil in place volume estimated by the Operator, of 634 million barrels. The Gindara prospect is a very large simple four-way closure at the Top Nido Limestone reservoir objective with an areal extent of 28 km², a vertical closure of over 300m and is well located to receive hydrocarbon charge from the Palawan Trough. Kairiki is seeking to farm down its interest in SC 54B to accelerate drilling of the Gindara prospect.