



Salinas
Energy Limited

ANNOUNCEMENT TO THE AUSTRALIAN STOCK EXCHANGE: 2 January 2009

EXPIRY AND CANCELLATION OF SHARE OPTIONS

The Company advises that the following options over shares have expired as of midnight on 31 December 2008.

| Option Expiry Date | Exercise Price | Number of Options |
|---------------------------|-----------------------|--------------------------|
| 31 December 2008 | \$0.40 | 7,375,000 |
| 31 December 2008 | \$0.80 | 3,325,000 |

The issued share capital of Salinas as at 1 January 2009 is 236,592,328 shares with the following securities, being options over shares and Achievement Rights outstanding as at 1 January 2009.

| Option Expiry Date | Exercise Price | Number of Options |
|---------------------------|-----------------------|--------------------------|
| 31 March 2009 | \$1.00 | 1,000,000 |
| 31 December 2010 | \$0.80 | 6,035,000 |
| 30 April 2011 | \$0.50 | 750,000 |
| 30 April 2011 | \$0.50 | 350,000 |
| 31 August 2011 | \$0.40 | 3,550,000 |

| Achievement Rights Expiry Date | Exercise Price | Number of Achievement Rights* |
|---------------------------------------|-----------------------|--------------------------------------|
| 30 June 2009 | Nil | 1,402,500 |
| 30 June 2010 | Nil | 1,786,250 |

* subject to vesting criteria

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