

ORMIL ENERGY LIMITED

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28th September 2010

Company Announcements Office
ASX Limited
Exchange Centre
20 Bridge Street
Sydney NSW 2000

RIGHTS ISSUE

Ormil Energy Limited announces it will be conducting a renounceable pro-rata partially taken up and underwritten rights issue at an issue price of \$0.03 for each new ordinary share on the basis of one new share for every two shares held on the record date, to raise up to the sum of \$2,791,122. The company will issue a maximum number of 93,037,417 shares.

The company has entered into agreements to underwrite and/or fully take up the offer in a total amount of \$2,577,500.

The timetable for the offer is as follows:

- Offer document lodged with ASX: 28 September 2010
- Existing shares quoted on an Ex basis and Rights trading commences on ASX: 30 September 2010
- Record date: 7 October 2010
- Offer document dispatched to eligible shareholders: 7 October 2010
- Opening date: 13 October 2010
- Rights trading on ASX ends: 20 October 2010
- Closing date *: 27 October 2010
- Allotment date **: 1 November 2010
- Company to notify ASX of under subscriptions **: 1 November 2010
- Dispatch date and deferred settlement trading ends: 4 November 2010

- Trading commences for new shares on ASX **:

5 November 2010

Notes

*Subject to listing rules and the underwriters, the directors reserve the right to extend the closing date for the offer at their discretion.

** These dates are indicative only.

The purpose of the issue is to provide the company with additional working capital and to enable it to pursue its corporate objectives and in particular to provide funding required under its Joint Venture with Apex Energy N.L. Shareholder approval is not required for the rights issue to proceed.

Yours faithfully

A handwritten signature in cursive script, appearing to read 'M. T. Ohlsson', is written in dark ink.

M. T. Ohlsson
Company Secretary