

21 February 2011

The Company Announcements Platform
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INSTITUTIONAL AND SOPHISTICATED INVESTOR PLACEMENT TO RAISE \$7.5 MILLION

HIGHLIGHTS:

- \$7.5m raised through placement at 3.75c to institutional and sophisticated investors
- Significant interest from institutions and sophisticated investors leads to increase in amount raised and scale backs required
- Raising provides EIO with strong financial foundation ahead of accelerated activities

The Directors of Energio Limited (ASX: EIO) are pleased to announce that it has secured commitments in excess of \$7.5 MILLION under a placement from Institutions and Sophisticated investors.

The Company will make a placement to institutional investors of 200 million shares at 3.75c each to raise a total of \$7.5 MILLION.

The placement will be used to fund:

1. The ongoing due diligence and development on KCM Holding Pty Ltd's iron ore licenses in Kogi State, Nigeria (**KCMH Leases**);
2. To accelerate exploration and due diligence activities in relation to the technical merits of the KCMH Leases;
3. The continued evaluation and development of opportunities in the toy sector; and
4. General working capital.

Energio Limited's Chairman Nathan Taylor said "significant investor interest in the raising resulted in the placement being priced at 3.75 cents, representing only a 5.21% discount to the 5 day VWAP of 3.96 cents. The additional capital provides a strong foundation for the Company and the board is extremely pleased to have attracted investors of such a high calibre. The funds raised from the placement will put us in a very strong financial position and will allow the Company to accelerate exploration and technical due diligence on the KCMH Leases as well as continue to review our existing Toy business. The strong participation from institutional and sophisticated investors is testament to the highly prospective KCMH Leases and their proximity to existing rail and port infrastructure."

Shares issued under the Placement will rank equally in all respects with existing shares.



ASX Code: **EIO**



The placement will occur in accordance with the shareholder approval obtained at the General Meeting held on 9 February 2011, with settlement to occur on or around 28 February 2011.

- Ends -

Sean Henbury

Company Secretary.

