

23 November 2012

TRANSACTION UPDATE

Agri Energy Limited, to be renamed Sirocco Energy Limited, (the **Company**) advises that, for the purposes of Resolution 5 in the Notice of Annual General Meeting announced on 29 October 2012 (**Notice**) and in accordance with the formula set out in section 9.2 of the Notice, the consolidation ratio shall be 1 for 23 on the basis that the volume weighted average price of the Company's fully paid ordinary shares on the ASX over the 5 trading days prior to today was 0.88c.

As previously announced, the Company is acquiring a 37.4% beneficial share of Block 14 in Sudan through a 49.9% ownership of Statesman Africa Limited (**SAL**). Block 14 is a large, un-explored block in the heart of the North East African oil producing belt. The Block contains two large and under-explored basins where a multi-billion barrel inventory of leads is being developed. SAL will be one of the first to apply modern exploration techniques to these two basins within Block 14 to unlock their exploration potential. Additionally, exploration activity in the region is increasing, with drilling activity ongoing to the south and north of the permit.

The Annual General Meeting will be held on 30 November 2012. Subject to shareholders approving the Resolutions contained in the Notice, the Company intends to lodge a Prospectus with ASIC and ASX immediately following the Annual General Meeting for an offer to raise up to \$7,000,000 to be used on the development of Block 14 and for the identification and evaluation of opportunities in the oil and gas sector. The Prospectus will be available on the Company's website.

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