

ASX

Announcement

24 December 2013

Wasabi Energy Rights Issue Shortfall

Wasabi Energy Limited advises that the non-renounceable rights issue (the “Rights Issue”) announced on 27 November 2013 closed on 20 December 2013.

The number of entitlements accepted by shareholders was 242,923,509 representing 6.5% of the ordinary shares of the Company (“Ordinary Shares”) on offer. The shortfall under the offer is 3,477,110,151 Ordinary Shares.

The Directors are reviewing the final amount raised under the Offer with regard to its financial obligations and proposed use of funds as set out in the Offer Document and are currently in discussions with the secured loan note holders regarding repayment, with third parties to place the shortfall of the rights issue and in relation to the Company's Tuzla project. There is no guarantee that such discussions will be successful.

A further announcement will be made as soon as possible once discussions have progressed with loan note holders and third parties and the directors therefore have further clarity on the Company's financial position.

For further information, please contact:

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