



ASX /Media Release – 3rd November 2010

Rights Issue Details

Marenica Energy Limited (**MEY**) is pleased to announce details of its Rights Issue to Shareholders to raise approximately \$2,040,000.

The Rights Issue is on the basis of 1 New Share for every 16 Shares held at the record date, each at an issue price of \$0.07 (**Offer**).

The New Shares will rank equally with all other fully paid ordinary shares of the Company, including in respect of dividends, from the date of allotment.

The Offer is available to eligible MEY shareholders registered on the record date of 12 November 2010 (**Record Date**).

The Rights Issue will be underwritten by a related entity of the privately owned China based Sichuan Hanlong Group Co. Ltd, a large diversified group with a broad portfolio of investments in mining resource development, electricity production, infrastructure development and real estate. No underwriting fee is payable.

In addition to underwriting the Offer Hanlong Energy Limited, a subsidiary of Sichuan Hanlong Group Co. Ltd, has subscribed for, and been issued, 14,285,714 MEY shares at A\$0.07 per share to raise \$1,000,000 and is to provide MEY a further \$2,000,000 at the end of November pursuant to a 3-year \$2,000,000 million convertible note at 8% interest per annum, payable annually in arrears and convertible into shares at A\$0.07 cents per share.

The Offer is being made without a prospectus. A Right Issue Offer Document in relation to the Offer will be despatched in accordance with the timetable below with the ASX and will available at the Company's website: www.marenicaenergy.com.au.

The timetable for the Offer is:

Rights Issue/Offer announced via ASX	3 November 2010
Ex date (Shares Quoted on an ex-entitlement basis)	8 November 2010
Record Date (date for determining entitlements of Eligible Shareholders to participate in the Offer)	12 November 2010
Offer Document dispatched to Eligible Shareholders (expected date of dispatch of Offer Document and Entitlement and Acceptance Forms)	15 November 2010
Acceptances close*	3 December 2010
Company to notify ASX of undersubscriptions (if any)**	8 December 2010
Issue of new shares and dispatch holding statements**	8 December 2010

An appendix 3B and notice under section 708A(5)(e) and section 708AA(2)(f) of the Corporations Act is attached.

For further information contact John Young, CEO at Marenica Energy Limited; PH: +61 8 93217355

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Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003.

Name of entity

Marenica Energy Limited

ABN

71 001 666 600

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | +Class of +securities issued or to be issued | Ordinary shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | Up to 29,331,128 shares issued in accordance with the non-renounceable rights issue announced on 3 November 2010.
14,285,714 shares in accordance with a placement agreement. |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Ordinary shares |

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New issue announcement

<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Yes</p>				
<p>5 Issue price or consideration</p>	<p>\$0.07 each</p>				
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Non-renounceable rights issue Placement</p>				
<p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p>	<p>3 November 2010 – for placement 8 December 2010 – proposed despatch date for rights issue</p>				
<p>8 Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="686 1279 997 1323">Number</th> <th data-bbox="997 1279 1283 1323">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="686 1323 997 1471">498,629,166</td> <td data-bbox="997 1323 1283 1471">Ordinary fully paid shares (MEY)</td> </tr> </tbody> </table>	Number	+Class	498,629,166	Ordinary fully paid shares (MEY)
Number	+Class				
498,629,166	Ordinary fully paid shares (MEY)				

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	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	3,000,000	Unlisted Options exercisable at 15 cents each on or before 30 June 2011
	41,300,000	Unlisted Options exercisable at 25 cents each on or before 30 June 2011
	7,450,000	Unlisted Options exercisable at 20 cents each on or before 31 October 2011
	12,500,000	Unlisted Options exercisable at 21 cents each on or before 15 December 2013
10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	No policy	

Part 2 - Bonus issue or pro rata issue

11 Is security holder approval required?	No
12 Is the issue renounceable or non-renounceable?	Non renounceable
13 Ratio in which the +securities will be offered	1 New Share for each 16 Shares held at the record date.
14 +Class of +securities to which the offer relates	Ordinary Shares
15 +Record date to determine entitlements	12 November 2010

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16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A
17	Policy for deciding entitlements in relation to fractions	Rounded Up
18	Names of countries in which the entity has +security holders who will not be sent new issue documents <small>Note: Security holders must be told how their entitlements are to be dealt with.</small> <small>Cross reference: rule 7.7.</small>	United Kingdom of Great Britain and Ireland Germany Canada China Channel Islands Costa Rica Indonesia Isle of Man Malta Netherlands Sweden Thailand USA
19	Closing date for receipt of acceptances or renunciations	3 December 2010
20	Names of any underwriters	A related entity of the privately owned China based Sichuan Hanlong Group Co. Ltd (to be nominated)
21	Amount of any underwriting fee or commission	Nil
22	Names of any brokers to the issue	Nil
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	N/A
25	If the issue is contingent on +security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	15 November 2010

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27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	4 November 2010
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do ⁺ security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do ⁺ security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do ⁺ security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	⁺ Despatch date	8 December 2010

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the

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additional +securities, and the number and percentage of additional +securities held by those holders

- 36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
 1 - 1,000
 1,001 - 5,000
 5,001 - 10,000
 10,001 - 100,000
 100,001 and over
- 37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought

39 Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

Number	+Class
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42 Number and +class of all +securities quoted on ASX (including the securities in clause 38)		
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Quotation agreement

1 +Quotation of our additional +securities is in ASX’s absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: Date: 3 November 2010
(Company Secretary)

Print name: Simon Robertson

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**NOTICE UNDER SECTION 708A(5)(e) AND SECTION 708AA(2)(f) OF
THE CORPORATIONS ACT 2001 (CTH)**

Issuer:	Marenica Energy Limited
ABN:	71 001 666 600

Marenica Energy Limited ("Issuer") notifies ASX (as the operator of the prescribed financial market on which the securities identified below are or are to be quoted) under sections 708A(5)(e) and 708AA(2)(f) of the Corporations Act that:

1. the securities identified below:
 - (a) with respect to the placement were issued; and
 - (b) with respect to the rights issue will be issued,without disclosure under Part 6D.2 of the Corporations Act;
2. as at the date of this notice the Issuer has complied with the provisions of Chapter 2M as they apply to the Issuer and with sections 674 and 675 of the Corporations Act; and
3. as at the date of this notice there is no information which is excluded information as referred to in sections 708A(7) and section 708AA(8) of the Corporations Act.
4. the issue of securities pursuant to the rights issue will affect the control of the Issuer.

DETAILS OF THE ISSUE OR OFFER OF SECURITIES	
Class of Securities:	Ordinary Shares
ASX Code of the Securities:	MEY
Date of the issue of securities pursuant to placement:	3 November 2010
Total number of securities issued pursuant to placement:	14,285,714
Date of the issue of securities pursuant to rights issue:	Expected 8 December 2010
Total number of securities to be issued pursuant to rights issue:	Approximately 29,331,128

Signed for and on behalf of the Issuer:



Simon Robertson
Company Secretary

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