

20th September 2010

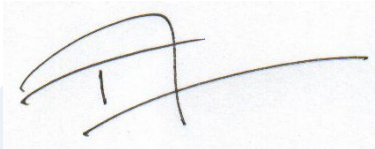
Australian Securities Exchange
20 Bridge Street
Sydney NSW 2000

Successful Completion of Rights Issue

The Board of K2 Energy Limited is pleased to advise that the company has raised the entire \$3.92 million pursuant to the rights issue.

K2 Energy with the assistance of Foster Stockbroking has placed all shortfall shares.

For and on behalf of
K2 Energy Limited



T A Flitcroft
Company Secretary