



*Wallace Absolute
Return Limited*

16 June 2010

Via: E Lodgement/ OR
Fax – Company announcements: 1300 135 638

Australian Securities Exchange
Continuous Disclosure Area

NOTIFICATION OF UNDER SUBSCRIPTIONS

Wallace Absolute Return Limited ("WAB" or "Company") advises that the underwritten renounceable rights issue pursuant to a prospectus dated and lodged with the Australian Securities and Investments Commission on 24 May 2010 (**Prospectus**) closed on 10 June 2010.

The Company received applications for 25,180,886 ordinary shares representing 35.08% of the shares offered under the Prospectus.

This has resulted in a shortfall (after entitlement acceptances and additional shortfall applications) of 46,606,095 shares, representing 29.83% of the fully diluted shares on issue.

The holding statements for the new shares will be despatched on 21 June 2010.

For further information, contact:

Michael Birch
Managing Director
Wallace Absolute Return Limited

Ph: +612 9255 9770

Wallace Absolute Return Limited
Level 3, 20 Loftus Street Sydney 2000 NSW
ABN: 58 100 854 788
PO Box R1436 Royal Exchange NSW 1225
T. +612 9255 9770 F. +612 9255 9701
E. enquiries@wallaceabsolutereturn.com.au