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ASX ANNOUNCEMENT

DRILLING UPDATE #2 – FURTHER ENCOURAGING INTERSECTIONS WITH GRADES AT THE HIGH END OF THE TARGET RANGE OF 48% - 53% Fe

HIGHLIGHTS

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- Results confirm grades at the high end of the initial target range of 48% - 53% Fe
 - Results further support presence of near surface Iron Ore
 - Grade and thickness of ore body surpass expectations
 - Thickness of intersections on average 3m thicker in main ore body than first results
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Australian based iron ore exploration and development company, Energio Limited (ASX:EIO) ("Energio" or the "Company") is pleased to announce it has received the second batch of assay results from the 2011 / 2012 drilling campaign at its Agbaja Iron Ore Exploration Project, located in Nigeria, West Africa.

Further to our announcement of 19 January 2012, continuous results are now being received and released to the market from the 200 drill holes completed to date of the planned 20,000 metres of drilling for resource definition at the Agbaja Iron Ore Exploration Project.

The locations of the 4 holes for which analyses are available are shown in Figure 1, together with the location of all holes of the planned drilling program. Tables 1, 2, 3 and 4 show the results of the XRF analysis of the typical elements for iron ore analysis of drill holes 19, 20, 21 and 22 in Drill Row Line 12.

Energio Chairman Dr Ian Burston noted that *"These results continue the positive pattern of the analysis of the first 4 holes with the grade and thickness of the ore body surpassing the board's expectations. The grades from this batch of results remains at the upper end of our target range and interestingly the most recent drill intersections are on average approximately three metres thicker in the main ore body when compared with the initial four drill hole results."*

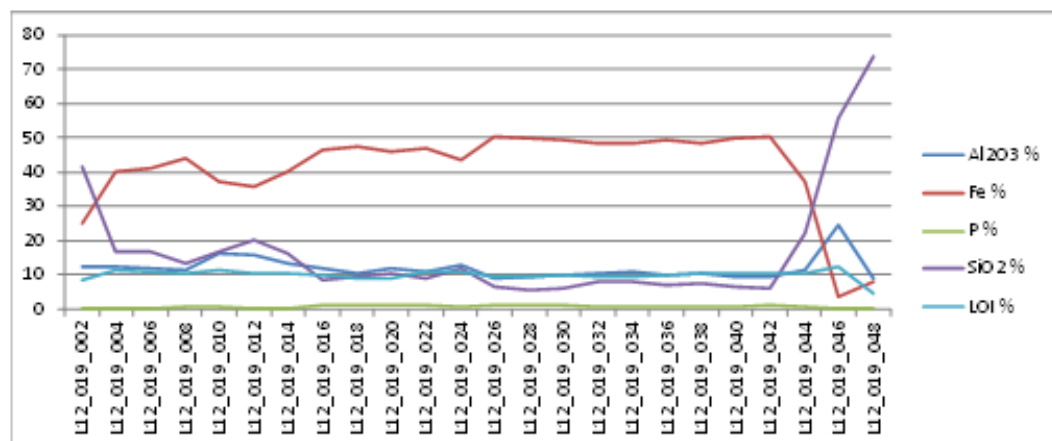
With the recommencement of drilling this week the company remains on target to finalise the drilling and sampling program within the 2nd quarter of 2012.

Table 1: Drill Hole Number 19

Drill Line 12
Drill Hole Number 19



Drill Line Number	Sample Depth Metres	Al2O3 %	Fe %	P %	SiO2 %	LOI %
L12_019_002	1	12.6	24.81	0.3	41.4	8.38
L12_019_004	2	12.45	40.21	0.377	16.9	11.19
L12_019_006	3	11.65	41.13	0.355	16.65	10.99
L12_019_008	4	11.35	43.97	0.449	13.4	10.32
L12_019_010	5	16.2	37	0.504	16.9	11.39
L12_019_012	6	15.6	35.65	0.279	20.4	10.46
L12_019_014	7	13.2	40.37	0.404	16.5	10.26
L12_019_016	8	12.1	46.69	0.965	8.41	9.88
L12_019_018	9	10.65	47.67	0.913	9.57	8.93
L12_019_020	10	12	45.99	0.981	10.45	9.12
L12_019_022	11	10.85	46.77	0.939	8.7	11.03
L12_019_024	12	12.7	43.46	0.879	11.7	10.69
L12_019_026	13	9.14	50.39	0.974	6.45	9.58
L12_019_028	14	9.38	49.97	1.22	5.66	9.55
L12_019_030	15	9.83	49.36	1.135	6.16	9.93
L12_019_032	16	10.6	48.55	0.863	7.86	9.36
L12_019_034	17	10.85	48.43	0.786	7.91	9.49
L12_019_036	18	9.84	49.44	0.865	7.04	9.84
L12_019_038	19	10.25	48.61	0.889	7.29	10.27
L12_019_040	20	9.33	49.98	0.843	6.36	10.37
L12_019_042	21	9.31	50.16	0.905	6.1	10.2
L12_019_044	22	11.3	37.32	0.415	22	10.22
L12_019_046	23	24.4	3.42	0.085	55.8	12.13
L12_019_048	24	8.85	7.97	0.13	73.8	4.62



This drill hole exited the orebody at 22 metres, Note change in Fe and SiO2

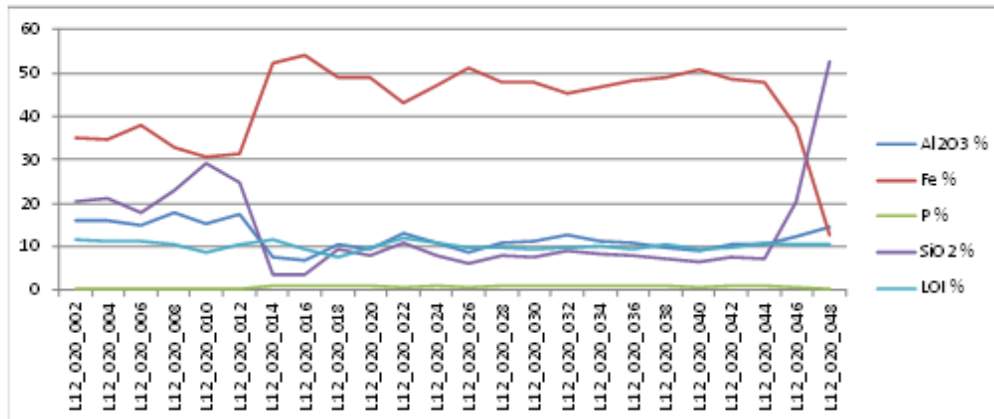
Table 2: Drill Hole Number 20

Drill Line 12

Drill Hole Number 20



Drill Line Number	Sample Depth Metres	Al2O3 %	Fe %	P %	SiO2 %	LOI %
L12_020_002	1	15.85	35.04	0.298	20.5	11.52
L12_020_004	2	16.05	34.52	0.266	21.3	11.26
L12_020_006	3	14.95	37.82	0.36	17.75	11.15
L12_020_008	4	17.85	32.7	0.259	22.8	10.56
L12_020_010	5	15.45	30.75	0.251	29.2	8.82
L12_020_012	6	17.55	31.24	0.199	24.8	10.73
L12_020_014	7	7.59	52.15	0.907	3.56	11.7
L12_020_016	8	6.99	54.05	1.07	3.49	9.32
L12_020_018	9	10.6	48.93	0.89	9.29	7.45
L12_020_020	10	9.48	49	1.075	7.9	9.74
L12_020_022	11	12.95	42.97	0.855	10.75	12.09
L12_020_024	12	10.75	47.09	1.03	8.12	10.82
L12_020_026	13	8.71	51.13	0.838	6.15	9.65
L12_020_028	14	10.8	47.91	0.933	7.86	9.93
L12_020_030	15	11.35	48.02	1.015	7.49	9.41
L12_020_032	16	12.85	45.36	1.04	9.08	9.92
L12_020_034	17	11.4	46.86	0.864	8.5	10.29
L12_020_036	18	10.9	48.33	0.92	7.83	9.39
L12_020_038	19	9.77	48.92	0.871	7.13	10.63
L12_020_040	20	9.14	50.84	0.837	6.35	9.28
L12_020_042	21	10.4	48.56	0.888	7.6	9.81
L12_020_044	22	10.5	47.75	1.1	7.11	10.75
L12_020_046	23	12.4	37.7	0.689	20.5	10.53
L12_020_048	24	14.55	12.77	0.225	52.7	10.51



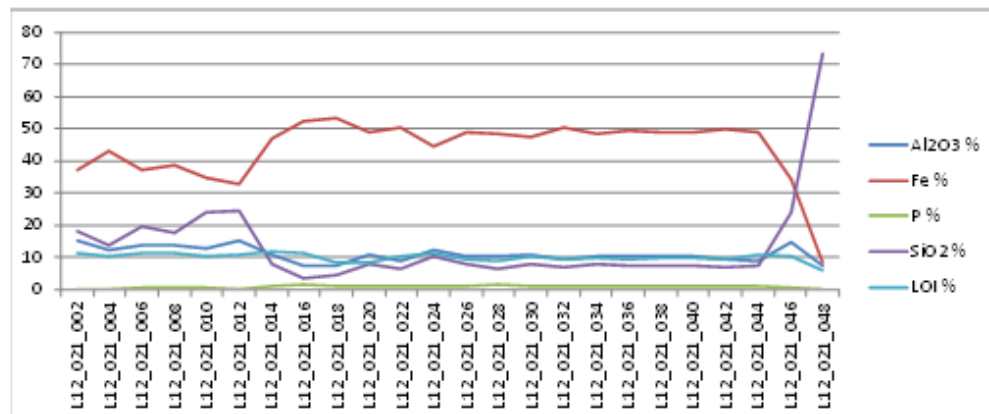
This drill hole exited the orebody at 23 Metres Depth, Note change in Fe and SiO2

Table 3: Drill Hole Number 21

Drill Line 12
Drill Hole Number 21



Drill Line Number	Sample Depth Metres	Al2O3 %	Fe %	P %	SiO2 %	LOI %
L12_021_002	1	15.35	37.18	0.303	18.15	11.13
L12_021_004	2	12.2	43.09	0.281	13.9	10.36
L12_021_006	3	13.85	37.27	0.399	19.45	11.1
L12_021_008	4	13.65	38.5	0.476	17.45	11.33
L12_021_010	5	12.9	34.89	0.347	23.9	10.43
L12_021_012	6	15.05	32.82	0.285	24.4	11.04
L12_021_014	7	10.85	46.72	0.857	7.78	11.85
L12_021_016	8	7.22	52.17	1.34	3.36	11.19
L12_021_018	9	7.4	53.39	1.195	4.62	8.27
L12_021_020	10	10.85	48.73	1.01	8.09	8.57
L12_021_022	11	8.72	50.23	1.1	6.34	10.2
L12_021_024	12	12.05	44.57	0.962	10.1	11.16
L12_021_026	13	10.25	48.89	0.926	7.84	9.25
L12_021_028	14	10.55	48.47	1.375	6.62	9.07
L12_021_030	15	10.6	47.44	1.1	7.67	10.31
L12_021_032	16	9.18	50.06	0.832	7.08	9.28
L12_021_034	17	10.2	48.22	0.97	7.77	9.95
L12_021_036	18	10.15	49.36	0.875	7.25	9.25
L12_021_038	19	10.3	48.61	0.877	7.59	9.83
L12_021_040	20	10.25	48.62	0.969	7.53	9.88
L12_021_042	21	9.48	49.95	0.917	6.95	9.51
L12_021_044	22	9.09	48.83	1	7.43	10.77
L12_021_046	23	14.55	34.04	0.677	24	10.16
L12_021_048	24	7.45	8.27	0.058	73.1	5.89



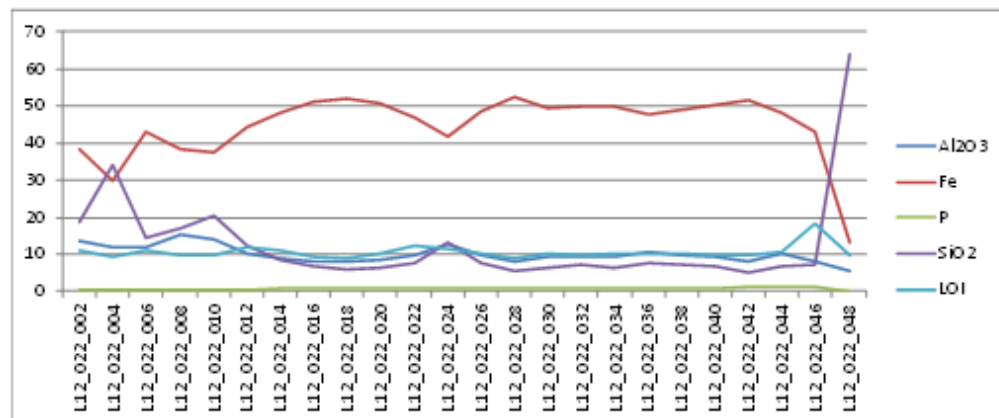
This drill Hole exited the orebody at 23 Metres, Note change in Fe and SiO2

Table 4: Drill Hole Number 22

Drill Line 12
Drill Hole Number 22



Drill Line Number	Sample Depth Metres	Al2O3	Fe	P	SiO2	LOI
L12_022_002	1	13.45	38.24	0.305	18.55	11.26
L12_022_004	2	12.05	29.67	0.406	34	9.51
L12_022_006	3	11.8	42.85	0.287	14.25	10.88
L12_022_008	4	15.35	38.46	0.38	17.2	9.6
L12_022_010	5	13.9	37.52	0.282	20.5	9.91
L12_022_012	6	10.25	44.49	0.293	12.5	11.9
L12_022_014	7	8.95	48.26	0.66	8.52	11.2
L12_022_016	8	7.89	51.03	0.909	6.96	9.5
L12_022_018	9	8.04	52.2	0.895	5.84	8.88
L12_022_020	10	8.41	50.56	0.961	6.49	10.08
L12_022_022	11	9.86	46.92	0.925	7.68	12.53
L12_022_024	12	12.55	41.81	0.917	13.3	11.43
L12_022_026	13	9.85	48.74	0.97	7.48	10.19
L12_022_028	14	8.05	52.36	0.99	5.39	8.9
L12_022_030	15	9.4	49.4	0.972	6.46	10.16
L12_022_032	16	9.52	49.9	0.79	7.04	9.68
L12_022_034	17	9.44	49.81	0.956	6.32	10
L12_022_036	18	10.6	47.84	0.968	7.57	10.28
L12_022_038	19	9.97	48.89	0.827	7.18	10.37
L12_022_040	20	9.37	50.21	0.849	6.73	9.6
L12_022_042	21	8.16	51.77	1.03	5.1	9.86
L12_022_044	22	10.25	48.3	1.19	6.82	10.46
L12_022_046	23	8	42.98	1.055	7.32	18.49
L12_022_048	24	5.64	13.22	0.102	63.9	9.89



This drill hole exited the orebody at 23 metres depth, Note change in Fe and SiO2

Competent Persons Statement

The drill hole results in this report have been examined by Dr Warwick Crowe BSc Hons, MSc, PhD who is the Principal Geologist at International Geoscience, a Perth based Geological and Geoscience Consultancy, Dr Crowe is a member of the Society of Economic Geologists and Society for Geology Applied to Mineral Deposits.

Dr Crowe has sufficient experience that is relevant to the style of Geology and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2004 edition of the Australasian Code for Reporting of Exploration Results , Minerals Resources and Ore Reserves. Dr Crowe consents to the inclusion of this report of the matters based on his information in the form and context that the information appears.

Fig 1: Drill line and Hole locations

