



EGL

EUROPEAN GAS LIMITED

Disclaimer

The presentation may contain forward-looking statements and estimates regarding the intentions of the Company, and these will be affected by movements in share markets, commodity prices, technical variabilities and many other factors beyond the control of Company personnel. The presentation must be considered in the light of these estimates and uncertainties and investment in European Gas Limited should be considered as speculative in nature.



Presentation

Annual General Meeting

21 November 2008



Company Overview

Ordinary Shares on Issue	199,155,662
--------------------------	-------------

Convertible Notes (3 years €0.75 conversion, 5% coupon)	48,500,000
--	------------

Unlisted Options	16,563,269
------------------	------------

Australian Securities Exchange (ASX) Code	EPG
---	-----

Deutsche Börse Code	KIO
---------------------	-----



Directors

Anthony J McClure
Managing Director

Geologist with over 20 years experience in the resources and related financial sectors. A past director of Bolnisi Gold NL. Also a director of Planet Gas Limited and Nickel Mines Limited.

Alan J Flavelle
Executive Director

Geophysicist with over 40 years experience in mineral, hydrocarbon exploration and production industries. Coal bed methane since 1984. Also a director of Greenpower Energy Limited.

Terence V Willstead
Non - Executive Director

Mining Engineer with over 40 years experience in the mining, exploration, coal and oil shale industries in Australia and internationally. Also a director of International Ferro Metals Limited.

Nicholas C Farr-Jones
Non - Executive Director

Lawyer with over 20 years experience in international resource finance. Substantial banking experience in France and Australia. Also a director of Central Rand Gold Limited.

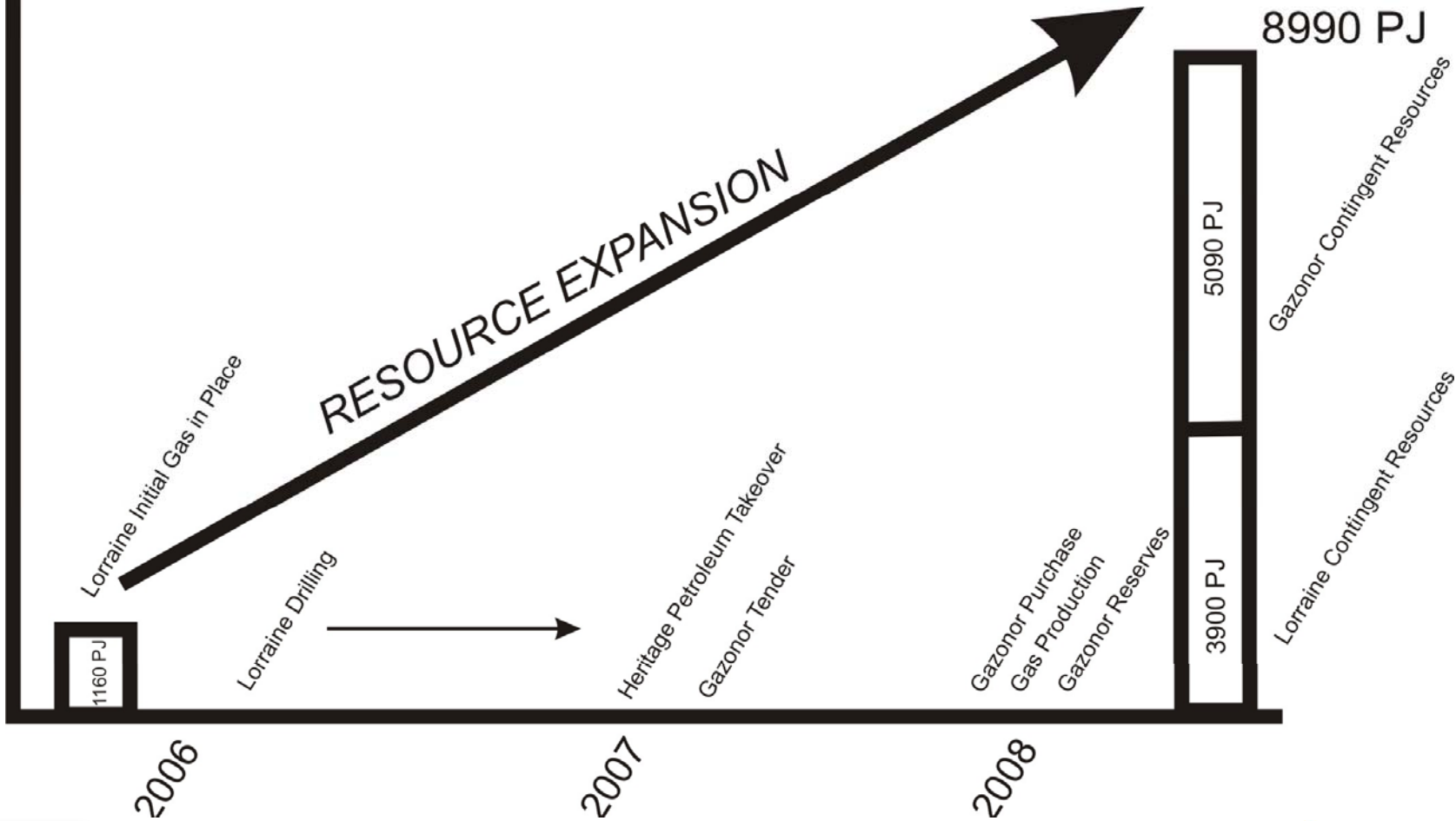


2008 Milestones

ACQUISITION	completion of the €26.2 million purchase of Gazonor from the French government
RESOURCE EXPANSION	over 850% resource expansion and to higher levels of confidence
GAS RESOURCES	largest unconventional gas resources assembled in continental western Europe
CONTINGENT RESOURCES	8990 petajoules and expanding
TEAM EXPANSION	the technical and management team in France has more than doubled
PRODUCTION TESTING	production testing commenced at the Lorraine project
FINANCING	€36.4 million convertible note issue
PRODUCTION	gas production commencement with the Gazonor acquisition



Resource Expansion



EGL Reserves & Resources

Certified Reserves as at July 2008

		Billions of Cubic Metres (Bm ³)	Billions of Cubic Feet (Bcf)	Petajoules (PJ)
Gazonor	1P	1.3	46	49
Gazonor	2P	3.7	131	140
Gazonor	3P	10.1	357	380

Contingent Resources as at October 2008

		Billions of Cubic Metres (Bm ³)	Billions of Cubic Feet (Bcf)	Petajoules (PJ)
Gazonor	C1 + C2 + C3	136	4800	5090
Lorraine	C1 + C2 + C3	104	3691	3900
TOTAL		240	8481	8990



Strategy

To be the dominant player in the
commercialisation of
extensive Coal Bed Methane (CBM)
and Coal Mine Methane (CMM)
deposits in Europe



Short to Medium Term Drivers

- Certification of coal bed methane contingent resources at Gazonor and Lorraine
- Lorraine production test
- Expansion of reserves at Gazonor
- Initial resources estimates for Lons-le-Saunier
- Feasibility works for the production expansion at Gazonor
- Planning for expanded production test/pilot program at Lorraine in 2009
- Planning for expanded 2009 exploration program



Gas Market Comparison

	AUSTRALIA	EUROPEAN UNION
Price	€1.70+ (A\$3.00) /GJ	2009 pricing €10.00 (A\$18.50) /GJ
Infrastructure	Immaturity a function of small market and vast distances	Widely developed, most industries and housing have access
Gas Consumption 2007*	25 Bm ³	462 Bm ³ 42 Bm ³ (France)
Gas Production 2007*	40 Bm ³	185 Bm ³
LNG Terminals (Export)	2 in service 2 under construction 13 proposed	0
LNG Terminals (Import)	0	12 in service 6 under construction 26 proposed

* BP Statistical Review of World Energy June 2008



Valuation Measures

Australian CBM Companies

	2P Petajoules	3P Petajoules	EV per 2P A\$/Gigajoule	EV per 3P A\$/Gigajoule
Arrow	1,430	3,127	1.36	0.62
Molopo	132	453	0.89	0.26
Queensland Gas	2,631	6,779	1.83	0.71
Eastern Star	120	845	2.09	0.30
Metgasco	298	1,538	0.18	0.04
Average			1.56	0.56
European Gas	140	380	0.25	0.09



Valuation Measures

European Gas Comparative Analysis to Australian Peers

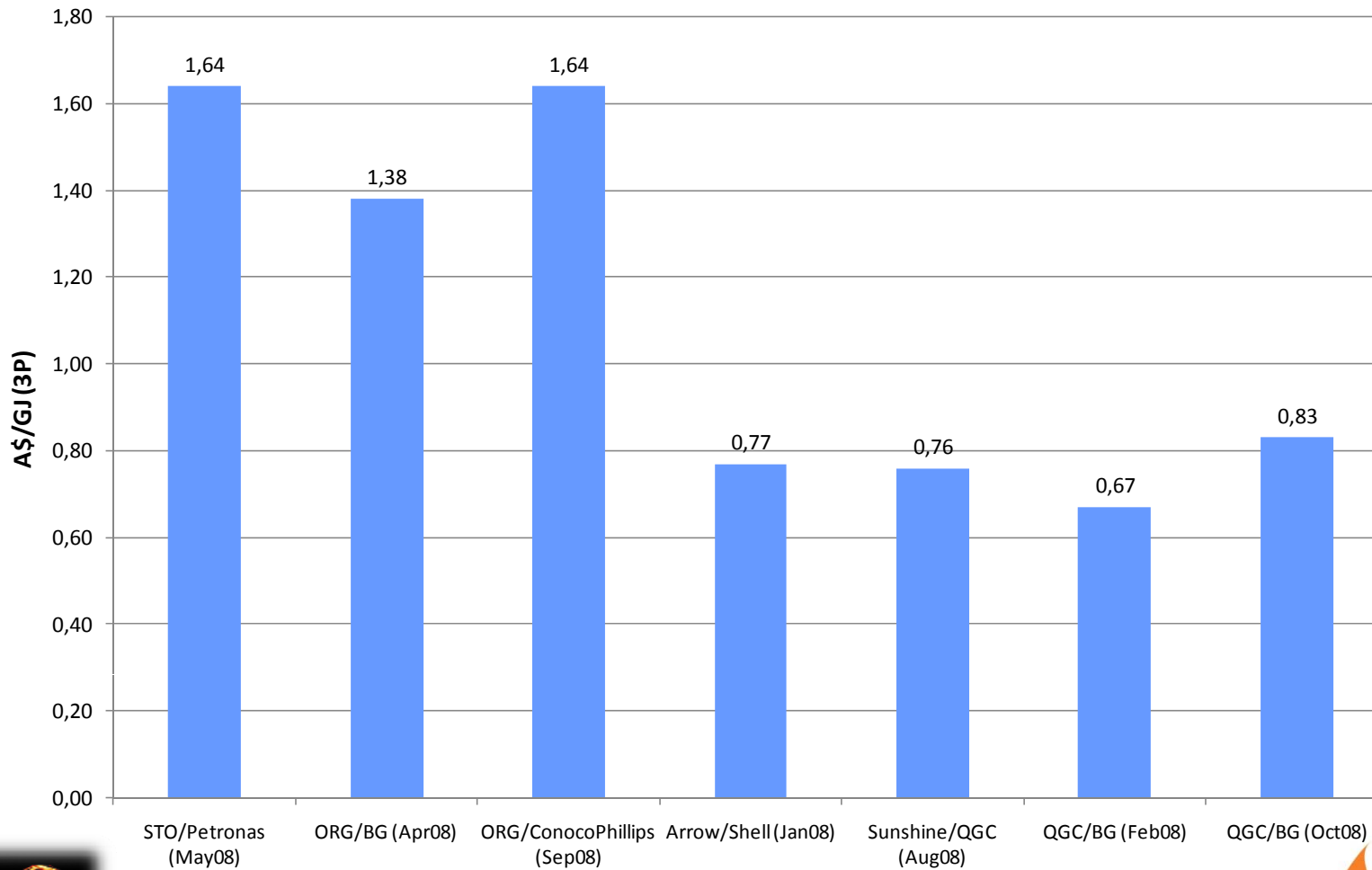
	Peers A\$/Gigajoule	European Gas Reserve Petajoules	Valuation A\$ million
Australian Peers EV per 2P Reserve	1.56	140	218
Australian Peers EV per 3P Reserve	0.56	380	213
Australian Peers Recent Transactions per 3P Reserve	1.10	380	418

However, European gas prices are over 5 times that of eastern Australia



Valuation Measures

Recent transaction prices on a 3P reserve basis



Source: Bell Potter Securities Limited



Projects



Projects - France

Project	Name	Area (km ²)	Status	Beneficial Interest
Gazonor	Poissonnière	511	Production Permit	100%
	Désirée	68	Production Permit	100%
	Poissonnière Extension	188	Production Permit Application	100%
	Valenciennois	423	Exploration Permit Application	100%
	Sud Midi	929	Exploration Permit Application	100%
Lorraine	Lorraine	460	Exploration Permit	100%
	Lorraine Sud	528	Exploration Permit	100%
	Lorraine Nord	360	Exploration Permit Application	100%
Gardanne	Gardanne	730	Exploration Permit	100%
Lons-le-Saunier	Lons-le-Saunier	3,795	Exploration Permit	100%
St Etienne	St Etienne	563	Exploration Permit	100%
		8,555		



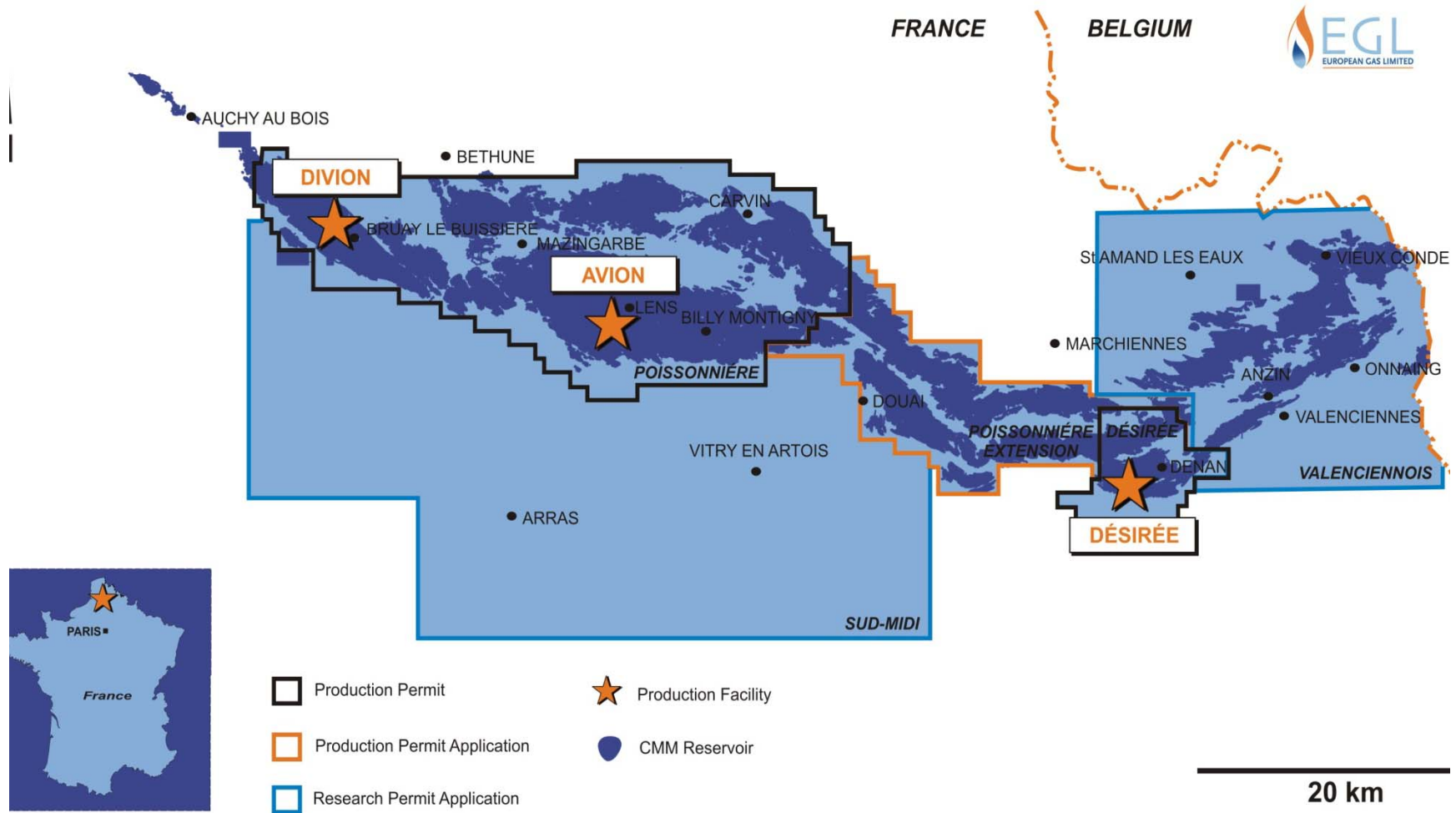
Projects – Belgium, Italy

Project	Name	Area (km ²)	Status	Beneficial Interest
Wallonia, Belgium	Hainaut	443	Exploration Permit Application	50%
Tuscany, Italy	Sienna	478	Exploration Permit	100%
	Belforte	511	Exploration Permit	100%
	Cinigiano	564	Exploration Permit	100%
PROJECTS TOTAL		10,551		



Gazonor

Project



20 km



Certified Reserves as at July 2008

	Billions of Cubic Metres (Bm ³)	Billions of Cubic Feet (Bcf)	Petajoules (PJ)
1P Reserves	1.3	46	49
2P Reserves	3.7	131	140
3P Reserves	10.1	357	380

As calculated by Deutsche Montan Technologie, Essen, Germany (DMT) July 2008 on behalf of European Gas Limited



Contingent Resources as at October 2008

	Billions of Cubic Metres (Bm ³)	Billions of Cubic Feet (Bcf)	Petajoules (PJ)
Contingent Resources	136	4800	5090

As calculated by EGL as at October 2008, currently being certified by MBA Petroleum Consultants, Brisbane, Australia.

- Estimates to Society of Petroleum Engineers (“SPE”) and Petroleum Resource Management System (“PRMS”) standards
- Contingent Resources only calculated in production permit areas
- Resources area covers 27% of permit and application areas
- Resources (and reserves) will increase substantially



Gazonor

Purchase

- EGL won the public tender for the purchase of Gazonor, handover occurred December 2007
- Gazonor owns 100% of the Nord Pas de Calais Coal Mine Methane production assets
- Carries full rights to the exploitation of hydrocarbon gas under the permits Poissonnière and Désirée (expiry 2017, renewable)
- €26.2 million cash purchase for Gazonor
- Purchase equates to €0.19 per Gigajoule of 2P reserves (€0.53 per Gigajoule of 1P reserves)
- Purchase financed by Transcor Astra Group, a subsidiary of Compagnie Nationale à Portefeuille (“CNP”)



- Major historical coal mining region of France
- All mines now closed
- Approximately 2.5 billion tonnes extracted (10% of coal in the basin above 1500m)
- Substantial underground workings spanning almost 100 kilometres from east to west
- Approximately 600 shafts
- Gazonor licences and applications cover the entire historical mining region
- Only 3 production sites to date



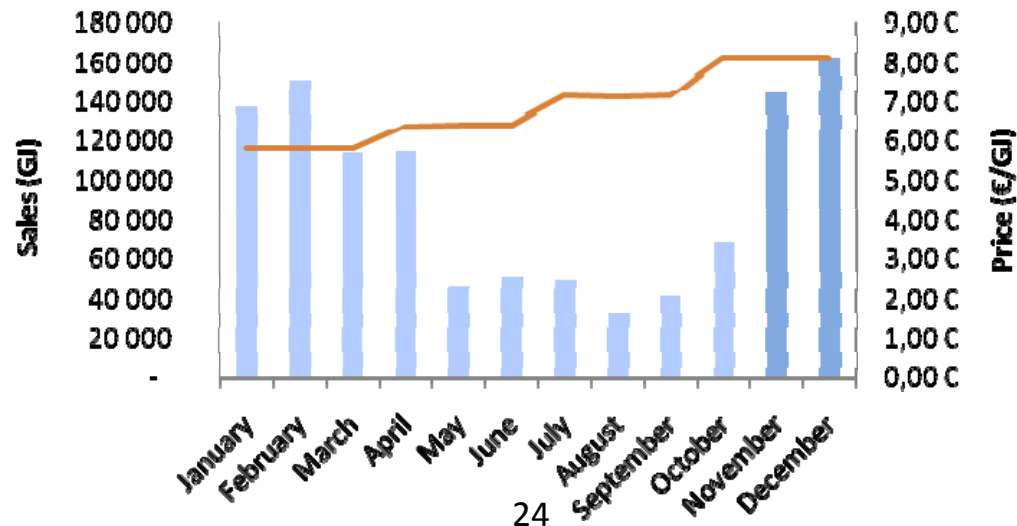
Gazonor

Avion Production Site



- Gazonor has produced gas for 25 years
- To end June 2008, a total of 2,190 Mm³ (77 Bcf) gas has been produced at 54% methane (45 Petajoules)
- Last five years production has averaged 72 Mm³ (2.6 Bcf) gas per year at 54% methane (1.6 Petajoules per year)
- Most gas sold to Total Gas & Power, balance to local industry

Gazonor Gas Sales CY2008



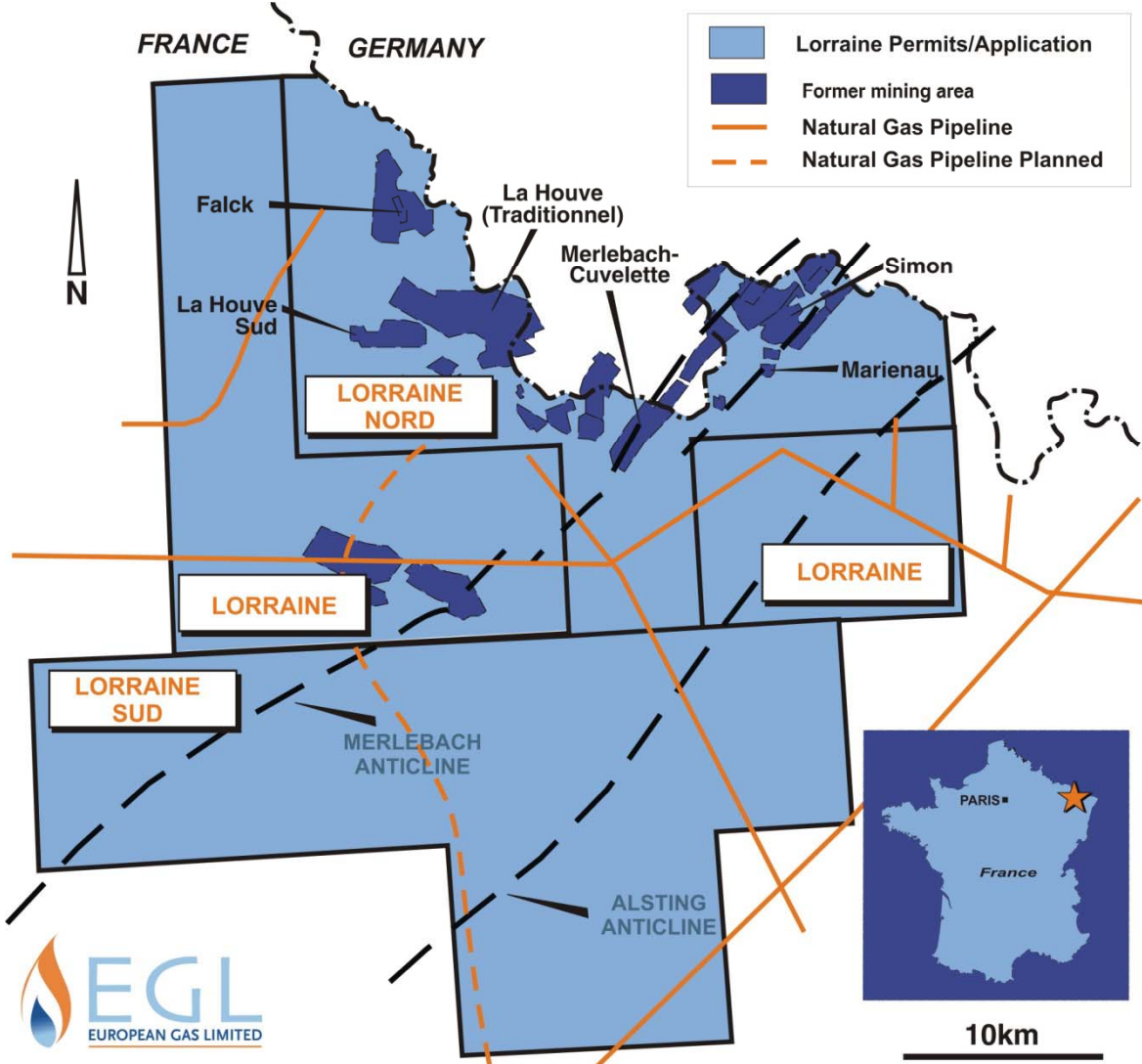
Gazonor

Development

- Significant scope to expand production through current facilities and development of new areas
- CMM feasibility process is advanced, options include;
 - 2 to 3 times increased production
 - Conversion of facilities to electricity generation
 - Gas quality upgrade expanding markets and pricing
 - Storage in summer months to maximise winter pricing
 - Expansion of local markets
- CBM development is the bigger picture



Lorraine Project



Lorraine

Contingent resources

Contingent Resources as at October 2008

		Billions of Cubic Metres (Bm ³)	Billions of Cubic Feet (Bcf)	Petajoules (PJ)
Lorraine	C1 + C2 + C3	54	1899	2010
Lorraine Sud	C1 + C2 + C3	50	1782	1890
TOTAL		104	3681	3900

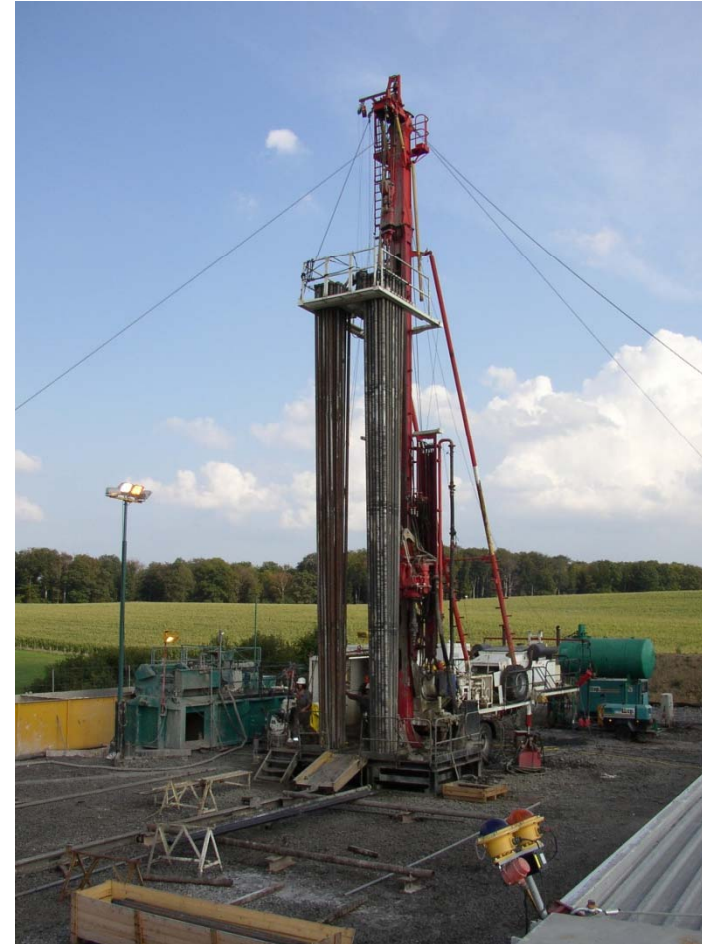
As calculated by EGL as at October 2008, currently being certified by MBA Petroleum Consultants, Brisbane, Australia.

- Estimates to Society of Petroleum Engineers (“SPE”) and Petroleum Resource Management System (“PRMS”) standards
- Contingent Resources is a 92% increase to the previous estimates (and to a higher level of confidence)
- Contingent Resources excludes Lorraine Nord application area (360 km²)



Lorraine Folschviller Stratigraphic Drilling

- Extensive packets of coal
- Total net coal 62.4 metres (excludes minor seams)
- Four major packets ranging between 10 and 15 metres thickness each
- Medium to high gas content data in coal (average 300 Scf/t (9.3m³/t))
- Sediments also gas charged



Lorraine

Folschviller 2 appraisal well



- 850 metres east of the Folschviller township
- Two laterals and two sidetracks successfully completed
- 433 metres of coal plus 367 metres of gassy sediments intersected
- Currently under test



Lons-le-Saunier

- 3,795 km² permitted
- Three principal hydrocarbon target groups;
 - CBM
 - Conventional gas
 - Conventional oil
- Drilling has delineated 370 million tonnes of coal in part of the coal basin
- Coal never mined due to very gassy nature
- Coal up to 30 metres net thickness
- Two stratigraphic wells planned for 2009



Gardanne

- 730 km² permitted
- Coal production from the L'Arc Basin totals 80 million tonnes of sub-bituminous coal
- The coal-bearing sequence is up to 300 metres thick and contains up to 20 coal seams
- Mine degasification well returned over 500,000 cubic feet per day
- Initial appraisal drilling first half 2009

Gas in Place Resources as at October 2007

	Billions of Cubic Metres (Bm ³)	Billions of Cubic Feet (Bcf)	Petajoules (PJ)
Gas in Place Resources	2.8	99.1	105.1

As calculated by Deutsche Montan Technologie, Essen, Germany (DMT) October 2007 on behalf of European Gas Limited



St Etienne

- 563 km² permitted
- Basin has produced 600 million tonnes of bituminous coal
- 80 metres cumulative coal thickness
- Long history of explosive methane encountered during mining
- Mine workings are very extensive approximately 200 shafts
- Area is prospective for CMM production
- Reservoir study by DMT, Essen



Tuscany, Italy

- Southern Tuscany area containing a number of Tertiary sedimentary basins
- Rights cover 1,553 km²
- Limited coal mining activity was closed due to high methane contents
- Granted subject to acceptance of submitted preliminary Environmental Impact Statements
- Initial work will commence upon formal notification that the Environmental Impact Statements have been accepted



Benelux JV

- Joint Venture announced April 2008
- 50/50 JV with Transcor Astra Group (subsidiary of Compagnie Nationale à Portefeuille S.A. (“CNP”))
- EGL is the Operator
- Target is hydrocarbons including CBM and CMM in Belgium, Luxembourg and the Netherlands
- Initial target Wallonia coals adjoining Gazonor (in France)
- Geological studies through Polytech Mons complete
- Application submitted to Wallonia Government for hydrocarbon permit “Hainaut” covering 443 km²



Canning Basin, WA

- EGL holds a 2% Net Well Head Royalty over 28,701 km²
- Also holds a 3% Net Well Head Royalty over an additional 1,470 km²
- Projects are held by Buru Energy Limited
- Buru was demerged from ARC Energy
- +A\$60m free cash
- Aggressive exploration program planned



Contact Details

PARIS OFFICE	Head Office	PERTH OFFICE	Registered Office
47 Avenue de l'Opera 75002 Paris France		Suite 4 4 Ventnor Ave West Perth WA 6005 Australia	
P: +33 1 47 42 14 00		P: +61 8 9226 0320	
F: +33 1 47 42 14 01		F: +61 8 9226 0309	
E: info@europeangas.fr		E: info@europeangas.com.au	
W: www.europeangas.fr		W: www.europeangas.fr	

ASX Code: EPG

Deutsche Börse Code: KIO



Compliance Statement

The technical information quoted in this presentation has been compiled by Mr Alan Flavelle and Mr Rodney Bresnehan and geoscientists under their supervision. Mr Flavelle is a Fellow of the Australasian Institute of Mining and Metallurgy and is a member of the Society of Petroleum Engineers. Mr Bresnehan is Technical Advisor to European Gas and is Chairman of the Australian Council of the Society of Petroleum Engineers. Mr Flavelle and Mr Bresnehan have consented to the inclusion in this presentation of the matters based on the information in the form and context in which it appears.

