



SHELL

VILLAGES AND RESORTS LIMITED

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3 MAY 2010

SVC SIGNS HEADS OF AGREEMENT TO ACQUIRE 100% OF SUSTAINABLE ENERGY AUSTRALASIA LIMITED

Highlights:

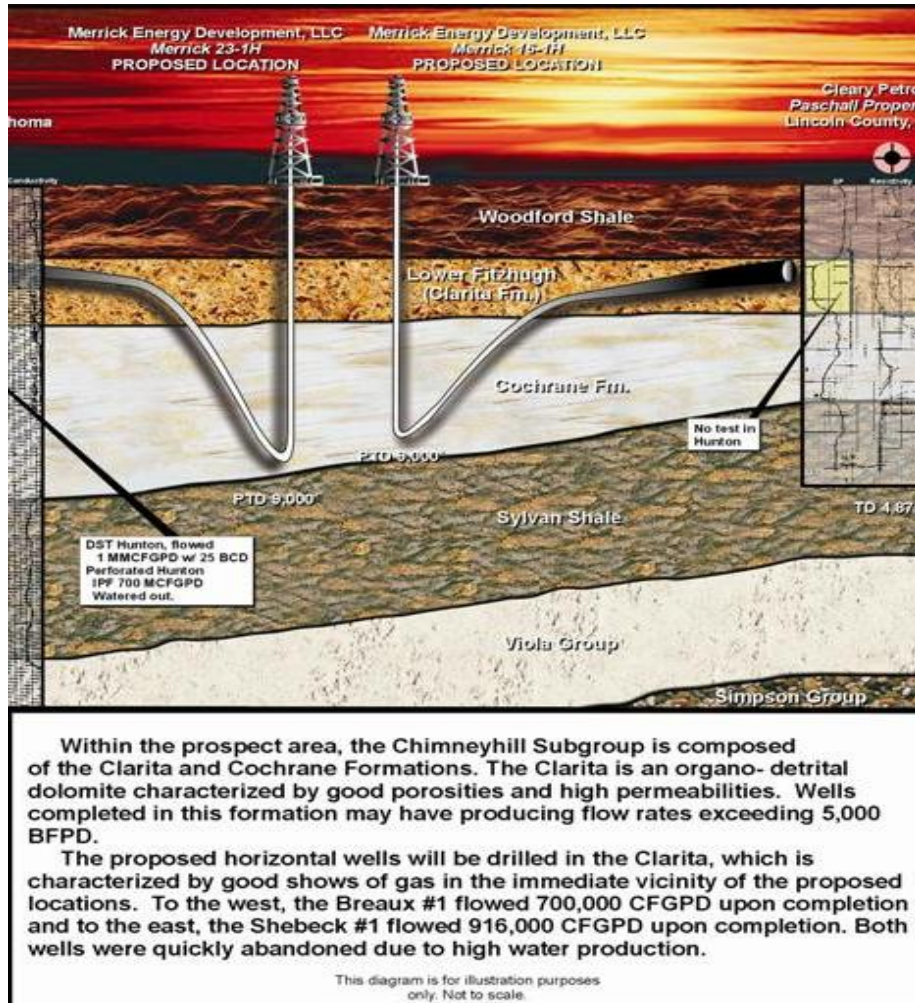
- Heads of Agreement signed to purchase 100% of Sustainable Energy Australasia Limited (SEA)
- Consideration to be paid in SVC shares and option based on completion of due diligence. **No cash consideration required**
- Oklahoma oil and gas development target with 3.2 million barrels of oil in place and over 10 billion cubic feet of gas
- Production can commence in late 2010 with strong surrounding infrastructure in place
- Rights within SEA to participate in up to 8 natural gas wells in West Texas in the "Canyon Sandstone"
- Established and experienced management on the ground in Oklahoma managed by SEA Director Richard Pritchard who has joined the Board of SVC as a condition of the acquisition.
- Further rights to develop, in partnership with an experienced developer, a 6.6 Megawatt wind farm development in Gujarat State, India.
- SVC through this acquisition, will provide the potential for considerable value uplift for its shareholders

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SVC is pleased to announce the execution of Heads of Agreement (HOA) with Sustainable Energy Australasia Limited (SEA), an Australian Public Company, to acquire 100% of its shareholding and 100% owned subsidiary Sustainable Australasia USA LLC (SAU) which houses all of its oil and gas assets in the USA.

The most significant project SEA has been working on is the Logan County, Oklahoma, project where it has been gathering leases within its subsidiary company SAU. The leases relate to a 1 (one) square kilometre Section in Logan County east of Oklahoma City targeting the Hunton Formation which is itself made up of a number of sub grouped formations.

The Section has the potential for developing two or three horizontal wells, each with a total length of up to 9,000 ft and the ability to extract substantial oil and gas over their lifetimes. There is further potential for some infill vertical wells.



The subject acreage for many years remained in the hands of a single entity, until in 2004 the acreage was relinquished and a new lease holder was established; in turn the new lease holding company went into administration in 2006 immediately prior to completing its first well, the Breaux #2. In time the leases expired and have been the subject of SAU's acquisition of interests in the area. The Breaux #2 well remains intact with the possibility of recovery.

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The Breaux #2 well

A number of successful horizontal wells have been producing gas and oil in the vicinity of this 640 acre property. In 1966 a vertical well was drilled on the property to target oil, the Breaux #1 well. The well produced oil cut water and 700,000 cubic feet of gas/day until the volume of water produced made continued production of oil un-commercial for the price and technology available.

Oklahoma is home to some of the largest oil and gas producing provinces in the continental United States. These provinces have supplied significant production to the United States and will contribute abundant reserve potential for the USA's future economic needs.

For more information about SEA and its projects go to www.seaustralasia.com.au

Terms of Purchase

SVC has agreed to purchase 100% of the shares in SEA in exchange for an Issue of 18,000,000 shares in SVC and 18,000,000 options with a strike price of 7 cents expiring in mid 2011.

The agreement is subject to the following conditions:

1. a full due diligence and results to the satisfaction of SVC shareholders; and
2. a formal share purchase agreement being signed; and
3. subject to compliance with the ASX listing Rules.

For further information in respect to Shell Villages and Resorts Limited, please contact;

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