

8 October 2010

Manager Announcements
Company Announcements Office
Australian Securities Exchange
10th Floor, 20 Bond Street
SYDNEY NSW 2000

via electronic lodgement

IN SPECIES DISTRIBUTION OF AFRICAN ENERGY SHAREHOLDING

HIGHLIGHTS

- 85,250,968 shares in African Energy Resources (ASX:AFR) to be distributed to existing EVE shareholders.
- Shareholders to receive approximately 1 AFR share for every 3.9 EVE shares held.
- Distribution subject to regulatory approval and shareholder approval at the upcoming Annual General Meeting.
- Energy Ventures to shift its focus to on-going advancement of recently acquired US projects as well as actively seeking new projects in western USA.

OVERVIEW

The directors of Energy Ventures Limited ("the Company") are pleased to announce an in species distribution of 85,250,968 or approximately 80% of its holding, of shares in African Energy Resources (ASX:AFR).

The Company has recently acquired several new projects in western USA, including the Aurora uranium deposit and Virgin Valley uranium prospect and is actively seeking new projects in the region. The divestment of the shareholding allows the Company to focus on these new acquisitions whilst shareholders now get direct exposure to African Energy Resources' uranium and coal projects in southern Africa.

The shares will be distributed equally to EVE shareholders that are registered holders as at the record date, anticipated to be 5 days after the Company's AGM. It is envisaged that shareholders will receive 1 AFR share for every 3.9 EVE shares held.

The in specie distribution of the shares is subject to shareholder approval which will be sought at the Company's AGM. Approval from Australian Securities Exchange is currently being sought. Further details will be included in a Notice of Meeting to be distributed to shareholders over the coming weeks.

BACKGROUND

African Energy Resources Limited (ASX:AFR) was originally a wholly owned subsidiary of the Company with a focus on uranium exploration in southern Africa. The Company listed in 2007 with Energy Ventures as its major shareholder. It has always been the Company's intention to distribute these shares to the Company's shareholders. With the new found focus on uranium projects in western USA the Board feels it is an opportune time to distribute the African Energy shares to its shareholders. The Company currently holds 105,250,968 shares and post the distribution the Company will retain approximately 20% of its holding, 20,000,000 shares, in African Energy Resources.

For and on behalf of the Board

For any further information, please refer to the Company's website (see www.energyventures.com.au) or contact the Company directly on +61 8 6465 5500.