

## NEWS RELEASE

6 June 2011

### Final Notice in Respect to Restructure of Convertible Notes

On 24 November 2010 European Gas Limited ("European Gas" or "the Company") requested that ASX grant a voluntary suspension of its shares, to allow time to resolve its convertible note position and specifically to finalise ongoing negotiations with financiers in relation to the convertible notes which fell due on 31 December 2010.

The Company has over the past six months kept shareholders informed of the discussions taking place and ultimately the successful restructuring of the convertible notes and completion of definitive agreements on 5 May 2011.

More recently and as part of the restructuring, the Company has announced the completion and commencement of:

- Farmout Agreements which will allow the Company to earn a 70% participating interest in 2 large exploration licences and will involve expenditure of €2.7 million over the next two years (the Company will be acting as operator);
- a Production Sharing Agreement where the Company will spend €1 million over a two year timeframe conducting exploration and development operations on large existing production permit areas with the aim of increasing revenue and enhancing gas production of which the Company will earn a participating 70% interest.

In order to meet the costs of these planned activities European Gas then set about finalising plans to recapitalize the Company and on 2 June 2011 announced that it had successfully completed a placement to international institutional investors raising \$15 million at 45 cents per share. This capital raising was done with the approval of shareholders provided on 28 March 2011.

Further as announced on 31 May 2011, the fundraising satisfied a condition attaching to an agreement to convert an unsecured loan to equity.

**EUROPEAN GAS LIMITED**  
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The Company now has sufficient funds to ensure that expenditure on existing assets and work programs outlined over the past few weeks will be fully funded. In addition the Company will have sufficient capital to selectively secure additional material projects in Europe.

Attached are the top 20 shareholders together with a range report for all shares allotted to date.

The Board now believe that it is appropriate for the voluntary suspension over the Company's shares to be lifted and for trading to recommence, the Board is not aware of further information which should be released to inform the market and therefore any reason why the suspension should not be lifted.

Yours faithfully,



**Mark Pitts**  
Company Secretary  
On behalf of the Board

For further information about the Company please contact:

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#### ABOUT EUROPEAN GAS LIMITED

European Gas Limited (EGL) is a Europe focused unconventional hydrocarbon Exploration Company. EGL currently owns several significant assets in Western Europe most notably in France and Italy. Its ASX Code is EPG.

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## EUROPEAN GAS LIMITED TOP 20 SHAREHOLDER REPORT

	<b>HOLDER</b>	<b>SHARES HELD</b>	<b>%</b>
1	HSBC Custody Nominees (Australia) Limited	51,954,116	17.73
2	JP Morgan Nominees Australia Limited (Cash Income Account)	51,342,819	17.52
3	Merrill Lynch (Australia) Nominees Pty Limited	47,633,340	16.25
4	Ocean Dome Corporation	30,000,000	10.24
5	Transcor Astra Luxembourg SA	27,823,434	9.49
6	National Nominees Limited	12,192,405	4.16
7	ABN AMRO Clearing Sydney Nominees Pty Ltd (Custodian Account)	4,878,832	1.66
8	HSBC Custody Nominees (Australia) Limited – A/C 3	4,500,000	1.54
9	Citicorp Nominees Pty Limited	4,194,863	1.43
10	Travelly Pty Ltd	2,000,000	0.68
11	PYNC Pty Ltd (Connat Investment Trust)	1,500,000	0.51
12	Mr Shane Bach	1,460,000	0.50
13	Mrs Carole Christine Rowan	1,375,000	0.47
14	Mr Tybo Harm and Mrs Dianne Elizabeth Niekamp	1,105,714	0.38
15	Odessey Pty Limited	1,045,708	0.36
16	Ross Asset Management Limited	950,000	0.32
17	OIC Nominees Limited	862,911	0.29
18	Picton Management Services Pty Ltd (Bath Super Fund Account)	850,000	0.29
19	AMBRE Investments Pty Ltd (Choros Mining Account)	820,000	0.28
20	Laker Family Nominees Pty Ltd (Super Fund Account)	812,500	0.28

<b>Range Held</b>	<b>Number of Holders</b>	<b>Number of Shares</b>
1 to 1,000	191	79,157
1,001 to 5,000	402	1,225,252
5,001 to 10,000	318	2,715,765
10,001 to 100,000	518	17,558,110
100,000 and greater	113	271,516,555
	<b>1,542</b>	<b>293,094,839</b>

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