



EGL PERMITS CONFIRMED BY FRENCH AUTHORITIES

Freyming-Merlebach, France — October 17, 2011 — European Gas Ltd (ASX: EPG), an independent unconventional hydrocarbons exploration company, today announced that the validity of all its exploration permits in France has been confirmed by the French Ministries of Energy, Environment, and Industry.

France released on October 13, 2011, the list of explorations permits that have been abrogated due to a new law passed on July 13, 2011, that bans the use of hydraulic fracturing for exploration and production of hydrocarbons in France. These abrogated permits were held by the following companies: Total E&P France, Devon Energy Montelimar SAS, and Schuepbach Energy LLC.

Frédéric Briens, CEO of European Gas (EGL), commented: “This announcement by the French Government confirms that our operations in France are not impacted at all by the new law that prohibits the use of the hydraulic fracturing technique in the exploration and exploitation of hydrocarbons. Our exploration approach relies on the drilling of multi-lateral horizontal wells, as demonstrated by our Folschviller-2 well in one of our permits in Lorraine. We are currently conducting a gas flow test in one of the main coal seams accessed by the upper lateral borehole in this well and will report the results of this testing phase once it has been concluded.”

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ABOUT EUROPEAN GAS LIMITED

European Gas Limited is a Europe focused independent unconventional hydrocarbons exploration company. EGL currently owns several significant assets in France and is pursuing other potentially large projects in Europe.

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