



ASX/AIM Code: WHE

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**WILDHORSE ENERGY LIMITED
PLACING OF UP TO £5.56 MILLION (A\$8.58 MILLION) TO INITIATE BANKABLE FEASIBILITY STUDY
AT MECSEK HILLS UCG PROJECT**

Wildhorse Energy Limited ('WHE' or 'the Company'), the AIM and ASX listed company focused on developing underground coal gasification ('UCG') and uranium projects in Central and Eastern Europe, is pleased to announce a placing of up to 110,259,198 new ordinary shares of no par value in the Company ('Ordinary Shares') and subscriptions for 906,735 new Ordinary Shares at 5 pence per share ('Placing Price') to raise up to £5.56 million (A\$8.58 million) before expenses (the 'Placing'). Of these, 30,877,370 Ordinary Shares have been placed firm and 80,288,563 Ordinary Shares have been placed conditional subject to shareholder approval. The Company also intends to undertake a share purchase plan ('SPP'), where eligible shareholders will be given the opportunity to subscribe for Ordinary Shares at the Placing Price up to a total investment of A\$15,000 per shareholder.

Highlights

- **Placing to raise up to £5.56 million (A\$8.58 million) primarily to initiate a Bankable Feasibility Study ('BFS') at WHE's flagship Mecsek Hills UCG Project**
- **Strategic partners to be sought to facilitate the completion of the BFS**
- **In addition, actively looking to roll out expansion strategy focussed on Central and Eastern Europe ('CEE') with UCG licence applications in progress in the Czech Republic, Poland and project development activities in the Ukraine**

- **Proceeds of the Placing to also be used to further develop joint venture negotiations for the Mecsek Hills Uranium Project with the Hungarian authorities (total combined JORC Inferred resource of 48.3Mt¹ for 0.072% U₃O₈ for 77Mlbs U₃O₈)**
- **The Placing is being made to new and existing sophisticated and institutional investors and was undertaken by GMP Securities Europe LLP ('GMP') and Liberum Capital Limited ('Liberum Capital') as joint bookrunners**
- **SPP will provide eligible shareholders of the Company the opportunity to subscribe for up to A\$15,000 worth of new Ordinary Shares at the Placing Price to raise up to an aggregate total amount of €2,499,999 before expenses**
- **Certain directors of the Company have agreed to subscribe for an aggregate of 906,735 new Ordinary Shares in the Placing at the Placing Price**

Matt Swinney Chief Executive Officer of WHE said, "The coming year is an exciting one for WHE and having recently indicated the attractive economic and technical potential of supplying syngas as a gas feedstock for power stations as part of our Pre Feasibility Study for the Mecsek Hills UCG Project, we are now in a position to immediately initiate the BFS as well as to commence a programme to seek to identify and secure suitable strategic partners to fund its completion.

"The funds raised in the Placing will also be highly beneficial to our regional strategy to expand WHE's UCG portfolio across CEE. The region's gas pricing environment is compelling and this first mover advantage will assist us to capitalise on this highly attractive market opportunity. We look forward to building the value of our portfolio of stranded coal assets as we continue to hit key milestones which demonstrate the commercial potential of applying UCG in these areas. Additionally, we will continue to seek to develop a uranium joint venture with the Hungarian authorities to further underpin the Company's valuation and I am confident that these developments will in turn further strengthen our investment case in 2012."

Details of the Placing and the SPP

The Placing is being undertaken at a price of 5 pence (approximately A\$0.077) per share. Pursuant to the terms of a placing agreement entered into between the Company, GMP and Liberum (the 'Placing Agreement'), GMP and Liberum have agreed to procure subscribers on a reasonable endeavours basis for up to 110,259,198 new Ordinary Shares of no par value in the Company ('Placing Shares') with two directors of the Company to subscribe separately for 906,735 Placing Shares pursuant to conditional direct subscription agreements with the Company. In aggregate therefore, up to 111,165,933 Placing Shares will be issued pursuant to the Placing. The Placing

¹ *Hungarian Subsidiary of Wildhorse wholly owns rights to the Pecs Licence which has an Inferred resource of 38.5Mt at 0.076% U₃O₈ for 65 Mlbs of U₃O₈. The remaining Inferred resources (9.8Mt at 0.057% U₃O₈ for 12 Mlbs of U₃O₈) are located on a licence which is owned by Mecsek-Öko and is subject to a non-binding co-operation agreement with WHE. The Company does not currently have any rights to this resource.*

Shares represent approximately 44.3% of the Company's issued share capital prior to the Placing and therefore a portion of the Placing Shares will be subject to shareholder approval.

Of the Placing Shares to be issued pursuant to the Placing, 30,877,370 Placing Shares have been placed firm and are to be issued by the Company further to the directors' authority to allot Ordinary Shares for cash on a non-pre-emptive basis ('the Firm Placing Shares'). An additional 80,288,563 Placing Shares, including those placed with two of the Company's directors, Matt Swinney and James Strauss ('Conditional Placing Shares') have been placed with investors conditional on shareholder approval at a general meeting of the Company to be convened on or around 18 May 2012 ('the GM'). A notice convening the GM is expected to be sent to shareholders on or around 18 April 2012.

The Company also intends to undertake a SPP whereby eligible shareholders of the Company will be given the opportunity to subscribe for new Ordinary Shares at the Placing Price of up to a maximum investment of A\$15,000 per shareholder ('SPP Shares'). Subject to applicable securities laws, the SPP will be limited to an aggregate total amount of €2,499,999 million (approximately A\$3.2 million). If applications for more than 41,771,094 shares are received, the Company may in its absolute discretion, undertake a scaleback to the extent and in the manner it sees fit. Any shortfall shares under the SPP may be allotted and issued to persons who are sophisticated and professional investors under section 707(8) and (11) of the Australian Corporations Act ('SPP Shortfall Shares'). Shares issued under the SPP do not require shareholder approval, but any allotment of the SPP Shortfall Shares will be conditional on shareholder approval which will also be sought at the GM.

The Company will apply for admission of the Firm Placing Shares to trading on AIM and the ASX ('First Admission'). It is expected that First Admission will take place and that trading will commence on AIM and the ASX on or around 12 April 2012. Following First Admission the Company's issued share capital will consist of 281,805,997 Ordinary Shares of no par value.

Subject to shareholder approval at the GM, the Company will also apply for admission of the Conditional Placing Shares on AIM and the ASX ('Second Admission'). It is expected that Second Admission will take place and that trading will commence on AIM and the ASX on or around 22 May 2012. Following Second Admission the Company's issued share capital will consist of 362,094,560 Ordinary Shares of no par value.

The Placing Shares will, when issued, be credited as fully paid and will rank in full for all dividends and other distributions declared, made or paid after First Admission and Second Admission (as applicable) in respect of the Ordinary Shares then in issue and will otherwise rank on First Admission and Second Admission (as applicable) pari passu in all respects with the existing Ordinary Shares then in issue.

The Firm Placing is conditional, among other things, upon First Admission becoming effective. The Conditional Placing is conditional, among other things, upon shareholder approval and First Admission and Second Admission becoming effective. The Firm Placing is not conditional on the Conditional Placing.

The net proceeds of the Placing will be used to:

- Initiate the BFS for the Company's Mecsek Hills UCG project including the initiation of permitting and the purchase of land for the site
- Undertake further work and permitting associated with the expansion of the Company's UCG portfolio across CEE with licence applications currently in progress across the Czech Republic, Poland and Ukraine
- Identify and secure suitable strategic partners to facilitate the completion of the BFS
- Perform work associated with the completion of a proposed joint venture agreement with the state owned Mecsek-Öko in respect of the Company's Mecsek Hills Uranium project
- Satisfy general working capital expenses

Directors' Participation in the Placing

Subject to the approval of shareholders at the GM, the following directors of the Company have agreed, pursuant to subscription agreements with the Company, to subscribe at the Placing Price for an aggregate of 906,735 Placing Shares in the Placing:

	Placing Shares subscribed for	Total Ordinary Shares held post subscription	Percentage of enlarged issued share capital*
Matt Swinney	647,668	714,335	0.20%
Jamie Strauss	259,067	-	0.07%

* assuming the issuance of the Placing Shares but excluding any Ordinary Shares which may be issued pursuant to the SPP.

The Directors participation in the Placing is considered a related party transaction under the AIM Rules. The independent directors of the Company (being all directors of the Company other than Matt Swinney and Jamie Strauss) consider, having consulted with Grant Thornton, the Company's Nominated Adviser, that the terms of the issue of shares to the Directors are fair and reasonable insofar as the Company's shareholders are concerned.

Notice of General Meeting

The Company intends to mail a circular, on or around 18 April 2012, to all shareholders giving notice of the GM with an accompanying explanatory memorandum which provides further information on the proposed resolutions to be considered at the GM. This notice will be available at www.wildhorse.com.au.

****ENDS****

For further information please visit www.wildhorse.com.au or contact:

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GMP and Liberum Capital are acting as joint Bookrunners, GMP and Liberum Capital, which are authorised and regulated by the Financial Services Authority, are acting for the Company in connection with the Placing and no-one else and neither GMP nor Liberum Capital will be responsible to anyone other than the Company for providing the protections afforded to the respective clients of GMP and Liberum Capital. Neither GMP nor Liberum Capital are providing advice in relation to the Placing or any other matter referred to herein.

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