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ASX Release

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WILDHORSE ENERGY LIMITED
SIGNS BINDING HEADS OF AGREEMENT WITH LINC ENERGY LIMITED
RE UCG ASSETS

Wildhorse Energy ('WHE' or 'the Company'), the AIM and ASX listed company focussed on developing underground coal gasification ('UCG') and uranium projects in Hungary and Central Europe, is pleased to announce that in line with its previously announced strategic partner selection process, it has signed a Heads of Agreement ('the HOA'), binding subject to matter referred to below, whereby Singapore Exchange listed Linc Energy Limited ('Linc Energy') will acquire a 100% interest in WHE's UCG assets for a consideration of the equivalent of AUD\$4.04 million in shares of Linc Energy. The transaction is intended to ensure the advancement of the UCG assets and the participation of WHE shareholders in their upside development potential via the Linc energy stock issued as consideration for WHE's UCG assets.

WHE retains its interest in the Mecsek Hills Uranium Project in Hungary, which has a current JORC Inferred Resource of 48.3Mt at 0.072% U3O8 for 77Mlbs of U3O8. Government negotiations and strategic partnership discussions are on-going with a further update on this expected in the near term.

Summary:

- Linc Energy is regarded as the global leader in UCG having invested over \$200 million in its technology and projects over the past 14 years;
- Linc Energy has proven its proprietary UCG technology and is ready for commercialisation;
- Linc Energy's operational team has direct experience in the development and operation of UCG projects, including Yerostigaz in Uzbekistan, the longest operational commercial UCG gas field globally with over 50 years of UCG gas production to its credit;
- Linc Energy will provide operational and financial support to apply UCG technology to capitalise on the attractive energy demand dynamics inherent in Hungary and Central and Eastern Europe, which dovetails well with Linc energy's own plans of current expansion into Poland and other European opportunities;
- The purchase will be either the UCG tenements and the associated geological and business records/data or in the specific Wildhorse subsidiaries holding the WHE UCG tenements and records (depending on regulatory advice on the most effective method of transfer);
- The Proposed transaction will provide the Mecsek Hills UCG Project in Hungary with a uniquely qualified development partner to advance and crystallise the value of the asset for investors and Hungary;

- Injection of high level UCG expertise and capital support enables the commercialisation of WHE’s significant footprint across Hungary and the translation of this into value for all investors;
- Above and beyond its UCG credentials, Linc Energy has a significant portfolio of conventional oil, gas and coal assets;
- Structure of the transaction would provide WHE shareholders with exposure to development upside of the UCG portfolio through a retained interest in Linc Energy stock; and
- Significant uplift potential for the Company’s uranium asset remains, and a strategy update will be provided in the near term.

WHE Managing Director Matt Swinney said, “The WHE team has demonstrated the commerciality of UCG and this divestment would facilitate the transformation of the Mecsek Hills UCG Project, utilising the significant and unique experience of the Linc Energy team, whilst still providing WHE shareholders exposure to the development upside associated with their advancement. Linc Energy represents the ideal development partner for WHE. They are pioneers in the field of UCG project development with strong expertise in the successful operation of UCG assets by way of Yerostigaz in Uzbekistan and Chinchilla in Australia. These qualities, coupled with our shared vision in the significant potential of UCG application in Central and Eastern Europe, means that I believe that we are positioned to advance our key UCG assets whilst WHE shareholders retain the potential up-side via their exposure to Linc Energy’s stock.

“On a wider level we have been actively looking at ways to advance our uranium project in tandem with the government of Hungary, which we believe have significant intrinsic value and strong development potential.”

Peter Bond, CEO of Linc Energy, said; “The potential acquisition of Wildhorse Energy’s UCG assets is in-line with Linc Energy’s strategy and allows us to fast-track the commercialisation of our UCG business. Hungary is an exciting jurisdiction for us given the current gas shortages and the recent passing of UCG specific legislation. This acquisition fits perfectly into our European strategy and we look forward to growing a strong and viable UCG business in Europe over the coming years.”

Key Terms of Heads of Agreement:

The key terms of the HOA are as follows:

- Consideration of AUD 4.04 million payable in Linc Energy shares
- The HOA is conditional upon the satisfaction (or waiver) of the following conditions:
 - obtaining relevant regulatory (including shareholder) and government approvals to the transfer of the WHE Sale Interest
 - approval from WHE shareholders in a general meeting in accordance with ASX Listing Rules, the AIM Rules for Companies and the Australian Corporations Act, as appropriate; and
 - executing additional formal Sale and Purchase Agreements to finalise the acquisition within 4 months of the HOA
 - Further, the parties have entered into a Funding agreement whereby Linc shall provide funding up to a maximum AUD 400,000 for the costs associated with the WHE subsidiaries holding the WHE UCG tenements for up to four months prior to completion of the sale transaction

SHAREHOLDERS SHOULD NOTE THAT WHILST THE HOA IS INTENDED TO BE BINDING IT IS SUBJECT TO NEGOTIATION OF LONG FORM AGREEMENTS AND THERE IS NO GUARANTEE THAT A FORMAL AGREEMENT IN RESPECT TO THE ACQUISITION WILL BE CONCLUDED.

****ENDS****

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