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ASX Release

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**WILDHORSE SECURES FOURTH MAJOR
HUNGARIAN UCG COAL ASSET**

HIGHLIGHTS:

- **Wildhorse Energy continues to expand its Underground Coal Gasification ('UCG') project portfolio with the granting of a coal exploration licence over the 58 sq km Suki Gas Project in North Eastern Hungary**
- **The Suki Gas Project forms part of Wildhorse's aggressive expansion strategy of securing coal deposits in Central Europe which the Company believes have the potential for UCG and where it can utilise its world class gasification team**
- **Suki is the fourth licence grant, raising the Company's combined UCG licence acreage to 528.5 sq km – complements its flagship Mecsek Hills Gas (UCG) Project in Southern Hungary, which has a current Exploration Target¹ of between 1-1.25 billion tonnes of coal at 18.8 to 29.3 GJ/t**
- **The Suki Gas Project is located in a historical coal mining district which has undergone significant exploration and is close to a multiple power generation plants. Existing data underpins the project's potential - 210 historic drill holes will be used in evaluating the project's resource and further potential**
- **The Company continues to evaluate additional sites particularly in Hungary, Czech Republic, Poland and Germany to rapidly expand acreage for future development – in line with its strategy to become a leading UCG specialist and provider of fuel in Central Europe**

Wildhorse Energy Limited ('WHE' or 'the Company') is pleased to announce that it has been granted a coal exploration licence over the 58 sq km Suki Gas UCG Project ('the Suki Project' or 'the Project') in North Eastern Hungary, approximately 32km from Miskolc (see Figure 1). This acquisition brings the total number of coal projects currently being developed for UCG application by WHE to four, with the Company's UCG licence package now spanning 528.5 sq km. This is in line with the Company's strategy to build a portfolio of key strategic UCG sites in Central Europe, with an initial focus on Hungary.

WHE Managing Director Matt Swinney said, "Ownership of a portfolio of key strategic sites, and securing key acreage in Hungary, is the key to maximising the value of our team and UCG proposition. The acquisition of a fourth major coal deposit is testament to our commitment to increase our land position in Central Europe and become a leading provider of fuel in the region.

¹ The potential quantity and grade is conceptual in nature, and there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

The Suki Project meets our stringent criteria being in close proximity to a number of power stations which naturally increases our customer and sales potential in the region, and historic data on the site confirms our belief that the deposit is likely to be suitable for application of UCG.

“We have a highly impressive team comprised of world-class experts in the gasification sector who are focussed on fast-tracking development at our primary project, the Mecsek Hills UCG Gas Project in Hungary. Looking ahead, we are confident that we will be able to demonstrate the effectiveness of harnessing energy from coal through UCG which will in turn increase the value of our growing land position.”

Background of Suki Gas Project

Having already undergone significant exploration, the Suki Project is known to contain significant sub-bituminous coal deposits and the Company believes that the licence area is likely to be suited to exploitation by UCG. The existence of historical data significantly de-risks the exploration stage of the Project’s development and initial examination of 210 drill holes within the tenement (see Figure 2) indicates that 90% of the holes intersected coal at depths of between 150m to 400m and there is good coal continuity. The targeted coal is comprised of three to five flat lying, to gently dipping, sub-bituminous coal seams with calorific values in the 13-15 MJ/kg range. The structural regime is relatively simple with some steep dipping normal faults known to be present. Within the seam group there are two main seams which range in thickness from 1.5-6 metres. Independent geologists, CSA Global have been appointed to review the available project data and the geology of the licence area to assist in further evaluating the suitability for UCG and with the aim of producing an Exploration Target.

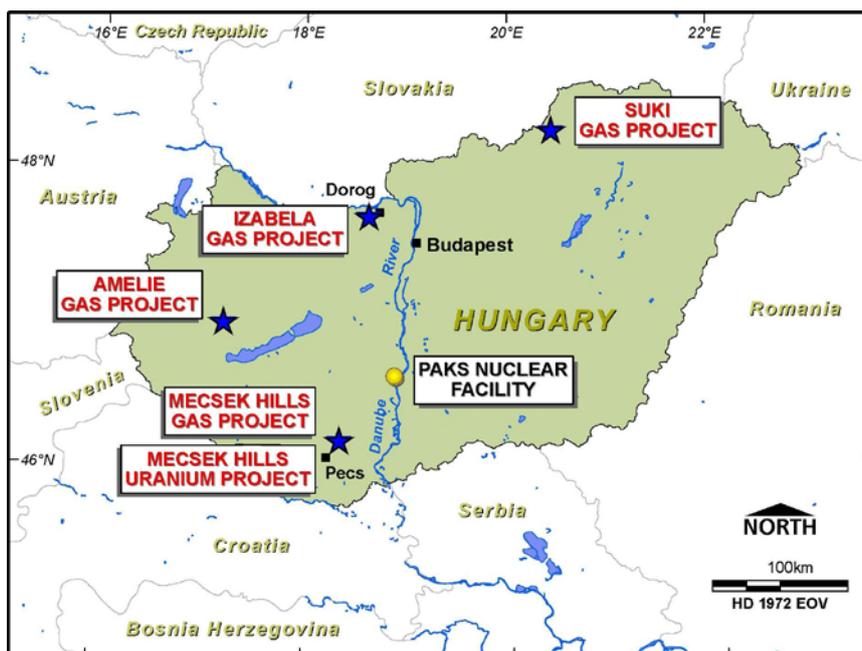


Figure 1: Wildhorse Energy Hungarian Project Location Plan

The Suki Project, in line with the Company’s strategy to target coal deposits near to energy infrastructure (see figure 3). The licence area is in close proximity to multiple power generation plants including the 120MW Borsodi Höerömu power station and the 1,000MW Tiszai Höerömu power station, both owned by AES; the Sajozoged plant, which is a 120MW Alstom gas turbine owned by MNV; the Borsod Chemical 50MW CCGT facility; and several additional power plants. This concentration of power facilities in the area provides WHE with various potential customers within the locality.

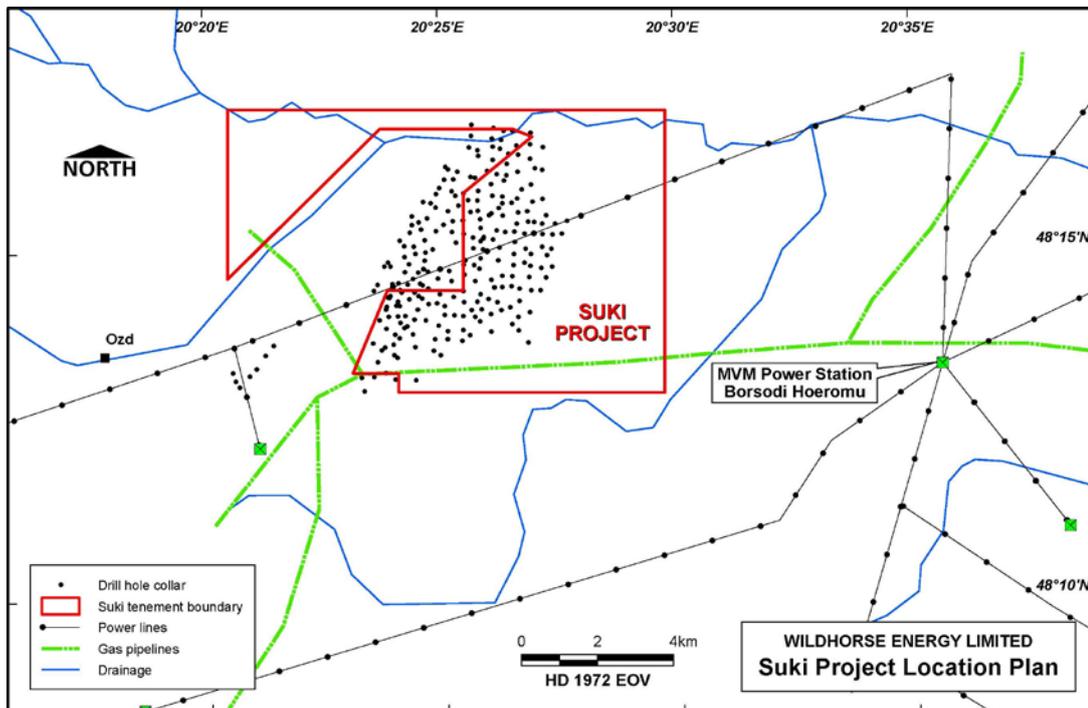


Figure 2: Suki Project Planning Summary

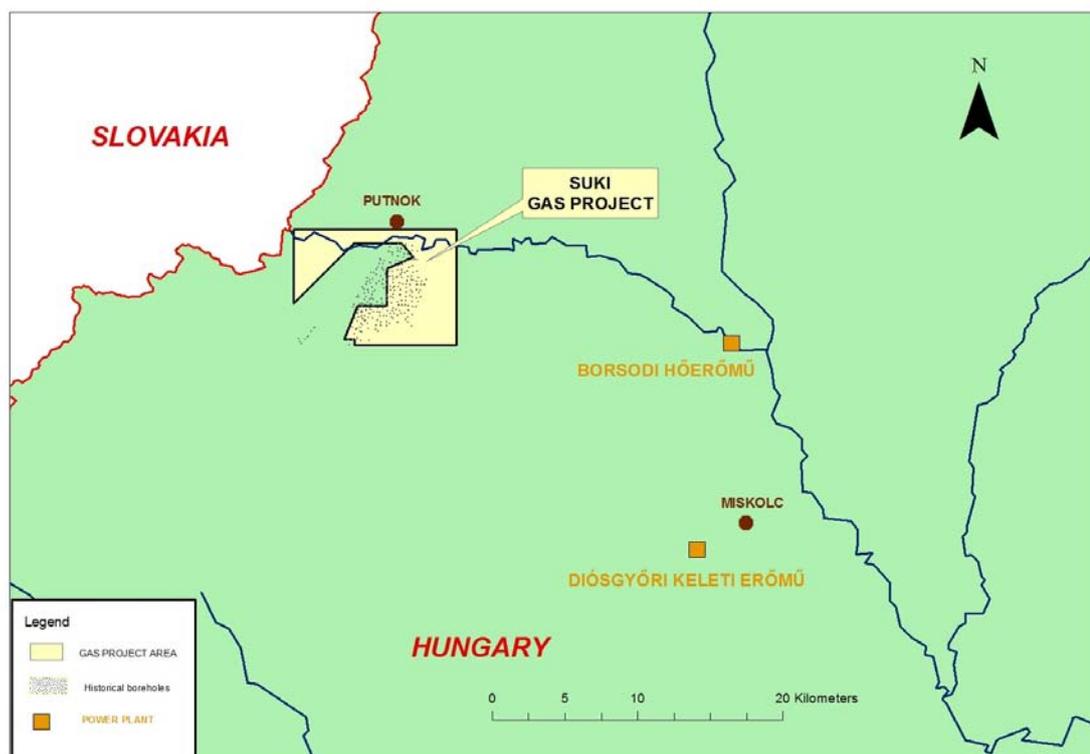


Figure 3: Suki Project Location Map

Further Information on Wildhorse:

Wildhorse Business Model

Wildhorse is a dual commodity energy development company focussed on rapidly advancing highly prospective Underground Coal Gasification ('UCG') and uranium assets. The WHE business model is focussed upon applying UCG technology to convert coal into syngas and then selling the syngas to power stations as a gas feedstock. The business model also includes the potential to develop UCG syngas into synthetic natural gas ('SNG') for distribution through international pipeline networks. The development and expansion of the

UCG portfolio is underpinned by a potentially world class uranium project which the Company is advancing with its Hungarian uranium development partners Mecsek-Öko and Mecsekérc, with the support of the Hungarian Government.

Business Strategy

The Company's business strategy is to become a major supplier of gas feedstock to power stations in Central Europe. WHE's project development strategy is based primarily upon acquiring strategic UCG sites in key locations in Central Europe where gas markets are dominated by Russian gas imports, energy security is a major factor for governments and large scale industrial consumers of gas and gas prices are correspondingly high. The expansion is underpinned by the development of the Mecsek Hills Uranium Project.

UCG Technical Team

WHE has assembled a world class UCG technical team which consists of international specialists including:

- Johan Brand (Technical Director) – previously the UCG business leader at Sasol, the world's leading coal gasification company, where he was responsible for the establishment and management of UCG as a business unit
- David LeClair (COO) – previously Manager of Engineering & Production for Hungarian Horizon Energy Limited which produces 20% of Hungary's gas
- Peter van Vuuren (UCG Technology Manager) – previously the lead process engineer on the UCG team at Sasol
- Andries du Plooy (UCG Senior Geologist) – previously the senior UCG geologist at Eskom (Primary Energy Division)
- Conrad Kahts (Directional Drilling Strategic Alliance Partner) – managed Sasol's directional drilling division for seven years, prior to forming Aqua Alpha Drilling Limited
- Derrick du Preez (Oxygen Management and UCG Engineering Services Strategic Alliance Partner) – ex senior Sasol management executive prior to forming CDE Process Limited, key supplier to companies such as Sasol and Eskom

UCG Projects

- The Mecsek Hills Gas (UCG) Project, which has a current Exploration Target² of between 1-1.25 billion tonnes of coal at 18.8 to 29.3 GJ/t located in a historical coal mining district in southern Hungary
- The Izabela Gas (UCG) Project, a 47.5 sq km coal deposit (containing 160 historic drill holes) located in a historic coal mining district in northern Hungary
- The Amelie Gas Project, a 25 sq km coal exploration licence (containing 84 historic drill holes) located in a historic coal mining district in Western Hungary and 10km from a power station
- The Suki Gas Project, a 58 sq km coal exploration licence (containing 210 historic drill holes) located in a historic mining district in North East Hungary and 25km from a power station

Uranium Project

- The Mecsek Hills Uranium Project in southern Hungary currently has an Inferred Resource of 48.3 Mt at 0.072% U₃O₈ for 77 Mlbs of U₃O₈ and an Exploration Target³ of 55 to 90 Mlbs of U₃O₈ with a grade range of 0.075-0.10% U₃O₈. The Project is comprised of the WHE owned Pécs and Abaliget licences and the adjoining Mecsek Mining Lease East ('MML-E') licence owned by Mecsek-Öko.

² The potential quantity and grade is conceptual in nature, and there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

³ The size and grade of the Exploration Target is conceptual in nature and it is uncertain if further exploration will result in the determination of a mineral resource. There is currently insufficient data to define a JORC compliant Mineral Resource for the Exploration Target. Mr Barnes and Mr Inwood (Competent Persons) have reviewed the historical data available for the Mecsek Hills Uranium Project and both made site visits to the area. They consider the Exploration Target to be reasonable based on the data available.

Table 1
Mecsek Hills Uranium Project - 2010 Resource Estimate
 Estimated using Block Ordinary Kriging (2D estimate) using a Parent Block of 100m x 100m.
 Reported above 0.04% U₃O₈ using an In situ Dry Bulk Density of 2.5 t/m³.

Classification	Region	Tonnes (Mt)	Grade (% U ₃ O ₈)	Contained U ₃ O ₈ (T)	Contained U ₃ O ₈ (M lbs.)
Inferred	Pécs*	38.5	0.076	29,300	65
Inferred	MML-E**	9.8	0.057	5,600	12
Inferred Total		48.3	0.072	34,900	77

Note: Figures have been rounded

* Pécs licence wholly owned by Hungarian subsidiary Wildhorse Energy Ltd.

** The MML-E Inferred Resource is located on a licence which is owned by Mecsek-Öko and subject to the co-operation agreement with WHE. WHE does not yet have full rights to this resource.

For and on behalf of the Board

Competent Persons Statement

The geological modelling and estimation of the Exploration Target¹ of 1-1.25 billion tonnes of coal at 18.8 to 29.3GJ/t for Wildhorse Energy Limited's Mecsek UCG Project was completed under the overall supervision and direction of Mr Alan Millar BSc. MSc. MAusIMM, who was a full time employee of CSA Global Pty Ltd and is a Competent Person as defined by the Australasian Code for the Reporting of Mineral Resources and Ore Reserves (JORC Code) 2004 Edition. Alan Millar consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The information in the report to which this statement is attached that relates to the Mecsek Hills Uranium Project Mineral Resource is based on information compiled by Mr Lauritz Barnes and Mr Neil Inwood. The geological modelling and estimation of the Exploration Target for the Mecsek Hills Uranium Project of 55 to 90 Mlbs of U₃O₈ with a grade range of 0.075 to 0.10% U₃O₈ was also compiled by Mr Barnes and Mr Inwood. Messrs Barnes and Inwood are both Members of The Australasian Institute of Mining and Metallurgy. Mr Barnes is an independent consultant and Mr Inwood is employed by Coffey Mining. Mr Barnes is the Competent Person responsible for the database, modelling, estimation methodology and Classification. Mr Inwood has reviewed the resource estimate and consents to take dual responsibility for the estimation methodology and Classification. Both Messrs Barnes and Inwood and have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which is being undertaken to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Barnes and Mr Inwood consent to the inclusion in the report of the matters based on their information in the form and context in which it appears.