



AGM PRESENTATION

May 2011

2010 AT GLANCE



KEY MILESTONES

- 2,000 sq kilometers (494,200 acres)
 - 100% licences area in Italy
 - 2 producing gas fields
 - 2 development projects
 - 5 gas discoveries for appraisal
 - 11 gas exploration prospects
 - 2 oil exploration opportunities

- 85,000 cubic metres (3 million cubic feet) daily gas production

- 11.8 bcf 2P Reserves
- 21.6+ bcf 2C Resources

- 26.8 million cubic metres (0.9 bcf) total gas production

- € 7.1m (AUD 9.2m) operating revenue

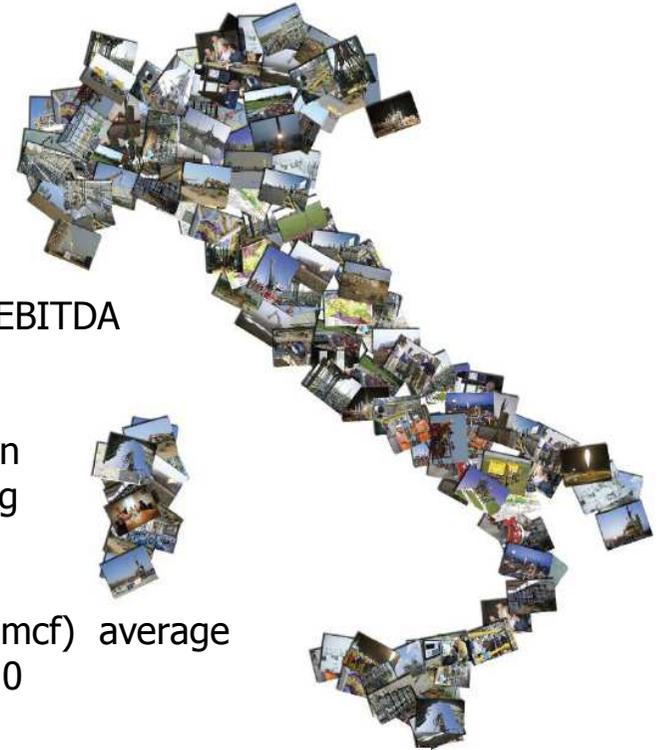
- € 2.2m (AUD 2.8m) positive EBITDA

- € 4.3m (AUD 5.6m) Reduction in Bank of Scotland borrowing base

- 29.35 €cent/scm (11.88AUD/mcf) average ENI gas release price for 2010

- Strengthened Company's Board and senior management team

- 44,000 man/hours with no incidents



AGM 2010 vs AGM 2011



MILESTONES ACHIEVED – COMPARING RESULTS

Ramp up production from Sillaro	✓	Stable average production at 83,000scm/d, in line with its contracted production gas rates
Resolve Castello production issues and reassess field size and production life		Reserves review finalised, authorisation to drill granted and drilling rig contract signed
Generate free cashflows and EBITDA	✓	Positive and increasing EBITDA (AUD2.8m) and net operating cashflow (AUD7.0m)
Reduce debt levels	✓	Full 2010 year reduction in debt of €4.3m, (AUD 5.6m) from €10.3m (AUD 13.4m) to €6m (AUD 7.8m)
Secure full award of Cadelbosco di Sopra (Correggio)	✓	Awarded in March 2011
AR168PY (Azzurra) licences		Legal action has been resolved in favour of Po Valley. Full grant of the licence expected soon
Fund exploration through farm outs		Working to find a strategic partner on a package of assets
Complete independent Reserves and Resources review of key assets	✓	Extensive review with support of external certified consultants finalised and released

RESERVES AND RESOURCES

RESULTS OF INDEPENDENT REVIEW



LICENCE/PROJECT	LAST UPDATE (SEPT 2010)	ANNUAL REPORT 2010 (APRIL 2011)	
	RESERVES		REVIEWED BY
Castello - Vitalba	1P: 0.1 2P: 3.7	1P: 0.1 2P: 3.6	DREAM
Sillaro - Sillaro	1P: 8.1 2P: 8.8	1P: 7.5 2P: 8.2	DREAM
	RESOURCES		
S. Vincenzo – S.Alberto	1C: 8.0 2C: 12.9	1C: 3.9 2C: 8.9 3C: 18.5	RPS
C. San Pietro - Bezzeca	1C: 0.7 2P: 3.1	1C: 0.7 2C: 3.1 3C: 5.8	RPS
Crocetta - Fantuzza	1C: 1.5 2C: 5.4	1C: 1.5 2C: 5.4 3C: 8.0	DREAM
Cadelbosco - Canolo+Zini	- - -	1C: 1.2 2C: 4.2 3C: 6.9	RPS/DREAM
Correggio	2C: 35.0	UNDER REVIEW	DREAM

WHY INVEST IN GAS IN ITALY



PREMIUM MARKET

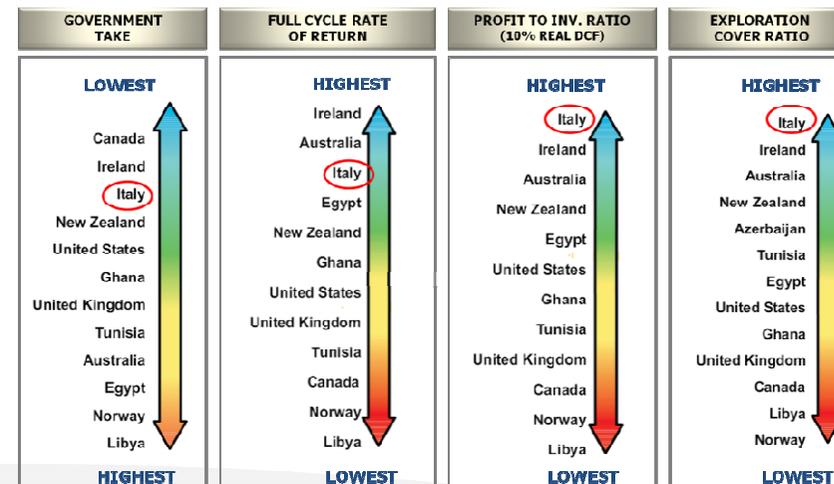
MARKET PROFILE

- 8th highest consumer of gas in the world, with a consumer base of around 60 million
- Highly (90%) import dependent - 2010 gas consumption of 78.12 bscm (2.8 tcf) with domestic production at 7.9 bscm (0.28 tcf)
- Amongst of the highest gas prices in the world and low operating costs
- Favourable fiscal regime and contained royalties
- 11th place ranking for GDP (purchasing power parity) in the world



GAS PRODUCING COUNTRY WITH DEVELOPED INFRASTRUCTURE

- Northern Italy boasts Europe's 2nd largest onshore gas province
- Extensive national grid (low transportation costs)
- Low cost environment with access to well developed infrastructure
- All E&P services available from international and local suppliers

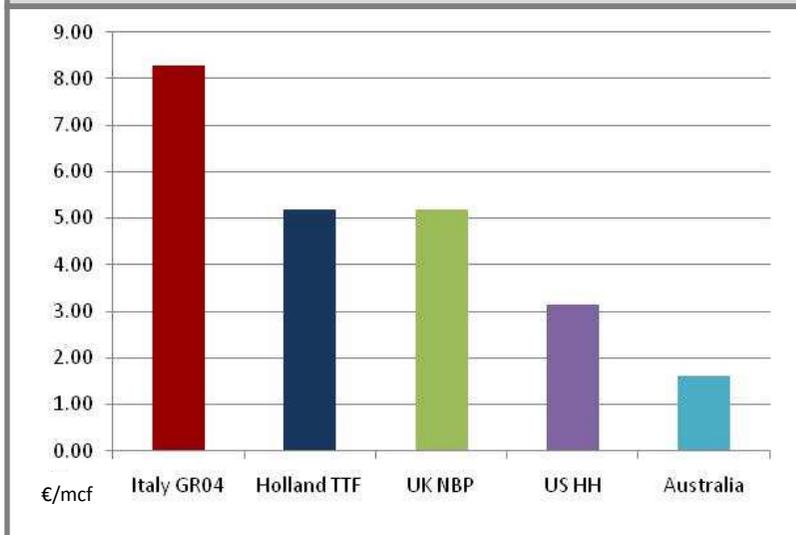


ITALIAN GAS MARKET

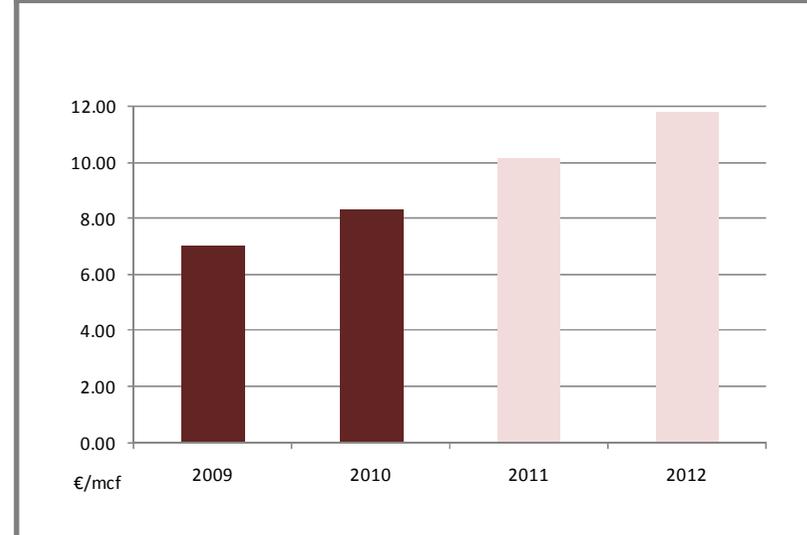


HIGH PRICES, UPWARD TREND, NOTEWORTHY OPERATING NETBACK

2010 AVERAGE PRICE OF DRY NATURAL GAS



HISTORIC & FORECASTED ITALIAN GAS PRICE TREND

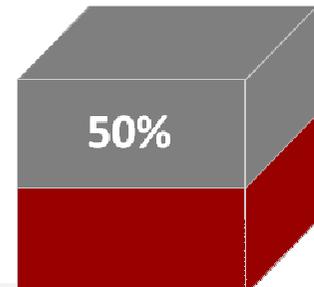
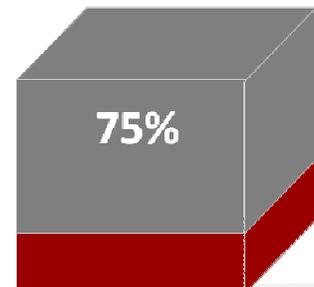
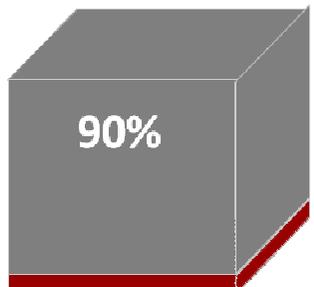


OPERATING NETBACK: HIGH COMPARED TO WORLD STANDARDS

Po Valley Energy*

UK National Average

US National Average



■ Average Opex per mcf
■ Average Operating Netback per mcf

*Sillaro field. Currency conversion based on 2010 average – www.oanda.com 6
 Source: www.eia.doe.gov, [Alba Soluzioni](http://Alba.Soluzioni.com), www.aer.gov.au, www.apxgroup.com, www.apachecorp.com, 2010 Oil & Gas UK Activity Survey

MANAGEMENT TEAM

MORE THAN 250 YEARS EXPERIENCE



Mr Giovanni Catalano
Chief Executive Officer

Giovanni has more than 33 years experience in the upstream oil and gas industry. His most recent position was as Chief Executive Officer of Mediterranean Oil & Gas plc, prior to that Mr Catalano held senior positions with Woodside Petroleum Ltd ENI & LASMO International.



Mr Diego Balistreri
Production & Development Manager

Diego joined the company in March 2011 with over 33 years of experience in various technical roles (reservoir, production, development management) with oil and gas majors including ENI and Elf both in Italy and abroad.



Mr Franco Benelli
Chairman Technical

Franco is one of the top experts of the Oil and Gas industry in Italy. Formerly 35 years with ENI, he held the position of Vice President Exploration for Italy, with over 300 wells drilled.



Mr Cristian Masini
Petroleum Engineer

Cristian joined the company in July 2010 with 8 years experience in various Petroleum Engineering roles. Formerly with Shell UK as Simulation Reservoir Engineer and ENI/Agip in Algeria and Italy as Production Optimisation Engineer.



Mr Pierluigi Vecchia
Program Manager

Pierluigi, senior geologist and program manager, joined the Company in 1997. Formerly a senior consulting geologist for E&P operators in Italy and abroad.



Ms Sara Edmonson
Finance & Administration Manager

Sara joined the company in July 2010: she is fluent in Italian, and for the past five years worked both in Italy and internationally for Ernst & Young Transaction Advisory Services.



Mr Giorgio Bertuzzi
Exploration & New Projects Manager

Giorgio has 31 years experience with ENI /Agip, covering many diverse roles: Exploration Manager in northern Italy, Prefeasibility Studies Manager, in Italy; Exploration, Planning and Control in Western and Eastern Africa.



Ms Mariyam Musrepova
Legal & Corporate Officer

Mariyam has worked for the company since 2003 building solid experience in several spheres of the oil and gas industry, in particular, a strong dedication to the legal and finance sector. Over the years Mariyam has worked as Finance Manager for Caspian Holdings Plc.

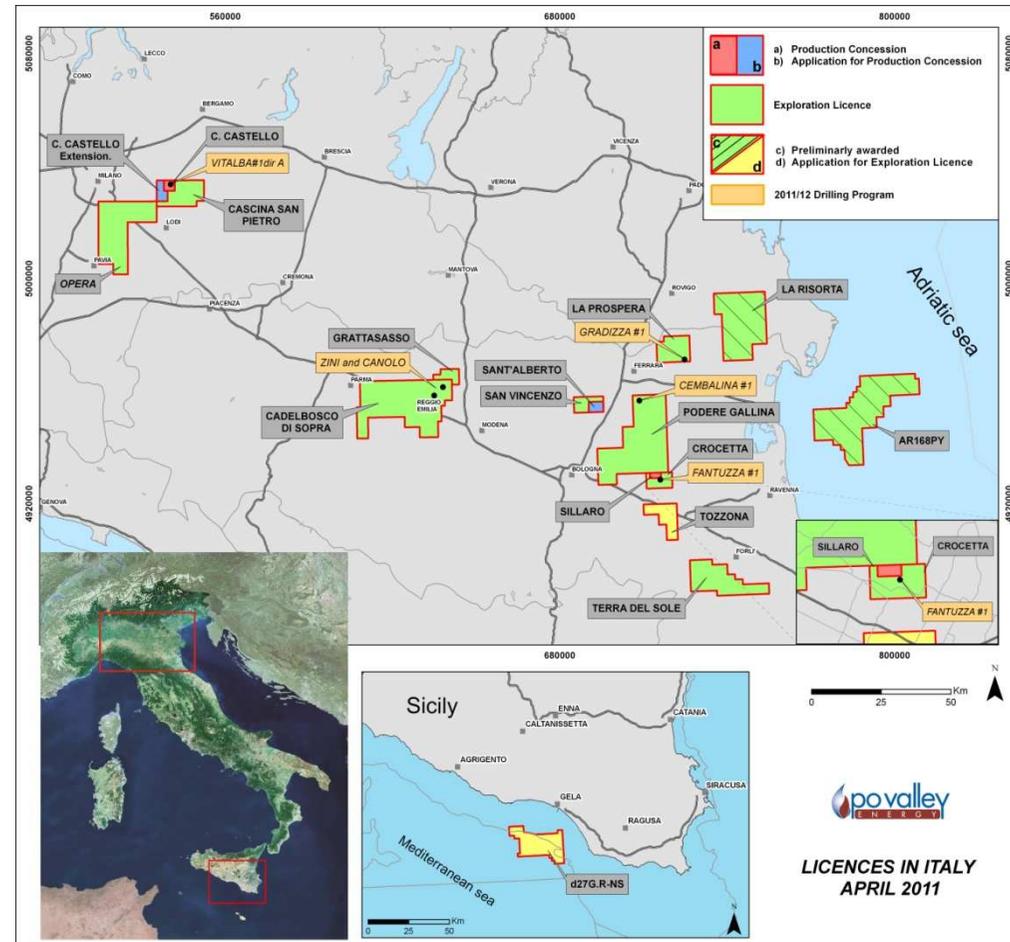
PORTFOLIO OF ASSETS



BALANCED MIX OF ASSETS

Exploration & Production Assets

- Overall area: 2,000km²
- 2 Producing gas fields
 - Sillaro, Castello
- 2 Development projects
 - Bezzecca, Sant'Alberto
- 5 Gas discoveries for appraisal
 - Fantuzza, Canolo, Zini, Carola/Irma, Azzurra/Ginevra
- 11 Gas exploration prospects
 - Gradizza, Pioppette, Capitello, Cembalina, Fondo Perino, Ariano, Corcrev , Dosso delle Anime, Barona, Donnino, Tozzona
- 2 Oil exploration opportunities
 - Ravizza, Bagnolo in Piano

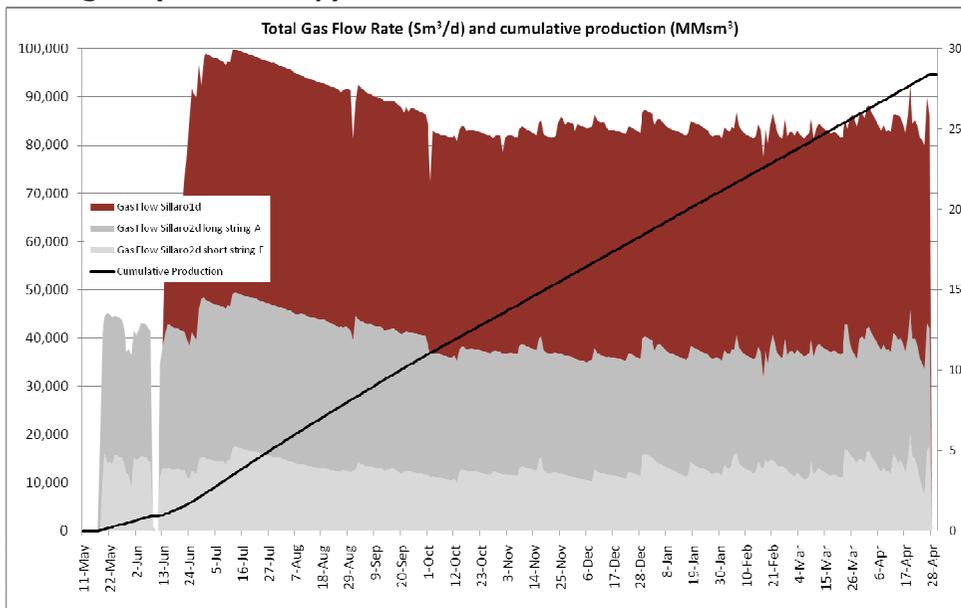
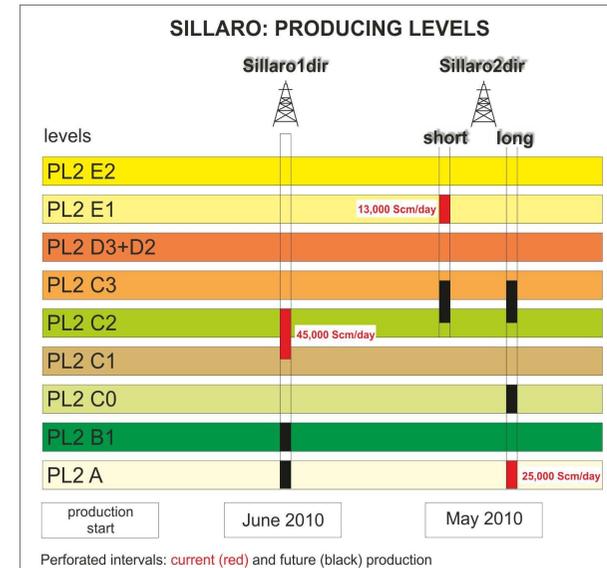


SILLARO PRODUCING GAS FIELD



ONE YEAR OF STEADY PRODUCTION

- Production commenced in May 2010
- Producing approximately 3 mmcf/day
- 7 reservoir levels confirmed and 4 in production
- 2 new previously untested levels
- Reserves: 1P: 7.5 bcf
2P: 8.2 bcf
- Sillaro surface plant and pipeline sized to process Fantuzza gas (2km away)



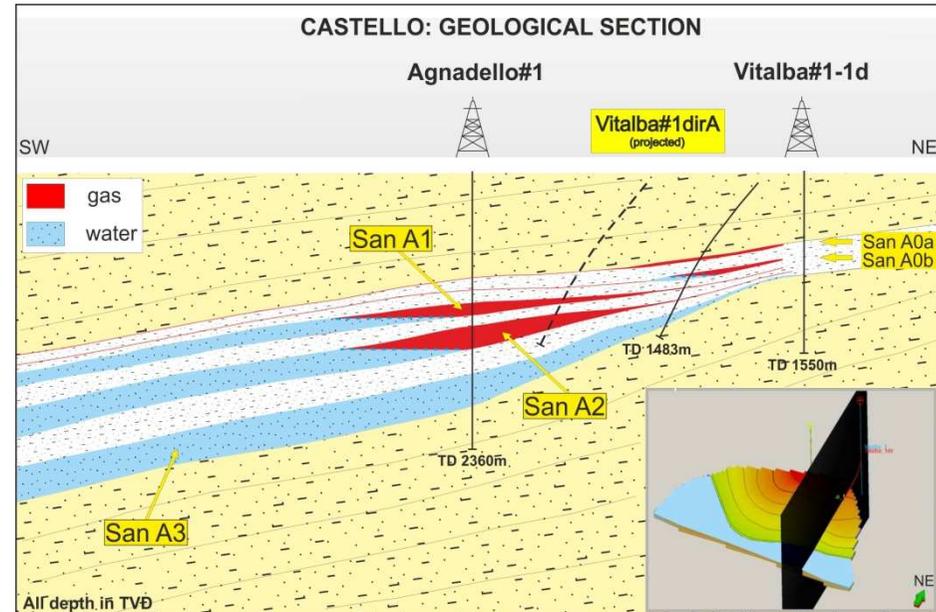
- 2010 gas production: 0.66 bcf
- 1Q 2011 gas production: 0.26 bcf
- 1Q 2011 average daily gas production: 83,200 scm/d (2.9 mmcf/day)
- Average operating netback per scm or mcf: 90%

CASTELLO PRODUCING GAS FIELD



DRILL VITALBA-1dirA AND RESTART PRODUCTION

- Production started December 2009
- Produced intermittently in May and June 2010 with present production from existing Vitalba-1dir well limited to 3,000scm/day
- Extensive static & dynamic reservoir studies completed
- Revised geological and reservoir model finalised
- Remaining Reserves re-evaluated: 1P: 0.1 bcf
2P: 3.6 bcf
- Purchased available seismic to confirm new well location



- Approvals to drill new well Vitalba-1dirA granted in late March 2011
- Signed contract for hydraulic rig HH200
- Drilling spud expected in August 2011
- Expect to connect Vitalba-1dirA to the existing Castello plant and recommence production in 3Q/ 4Q 2011

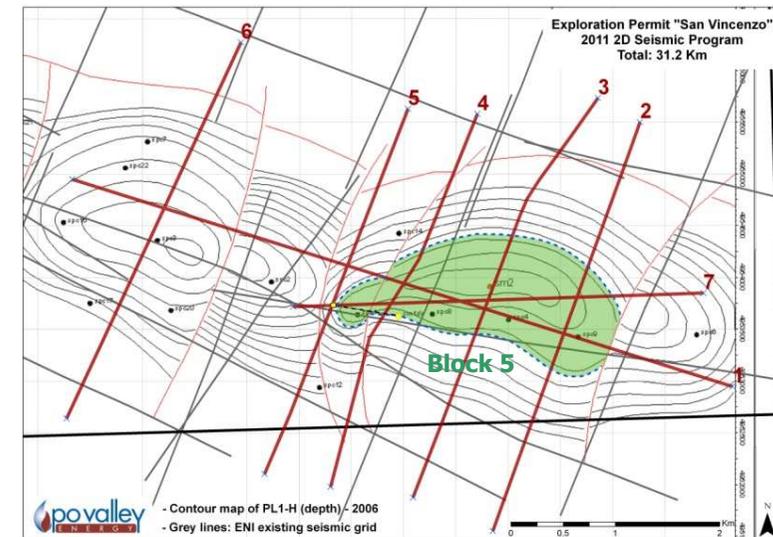
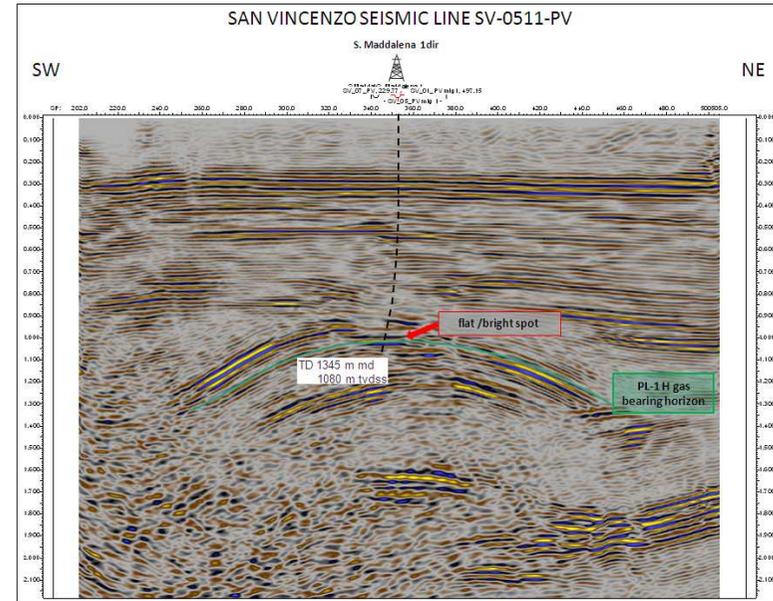
DEVELOPMENT ASSETS



PROGRESS SANT'ALBERTO GAS DEVELOPMENT

Sant'Alberto

- Located in the San Vincenzo permit (near Bologna)
- Santa Maddalena-1 well drilled and tested (1.8 mmcf/day)
- Well completed on 3 levels (2 tested, 1 upside)
- 2D seismic survey acquired in March 2011 (first seismic acquisition for PVE)
- 2 well, phased development plan submitted to Ministry
- Production concession pending
- Second producer well planned for 2012 drilling; Pliocene target at 1,100m depth
- Contingent Resources (Block 5 only):
 - 1C: 3.9 bcf
 - 2C: 8.9 bcf
 - 3C: 18.5 bcf



DEVELOPMENT ASSETS CONT



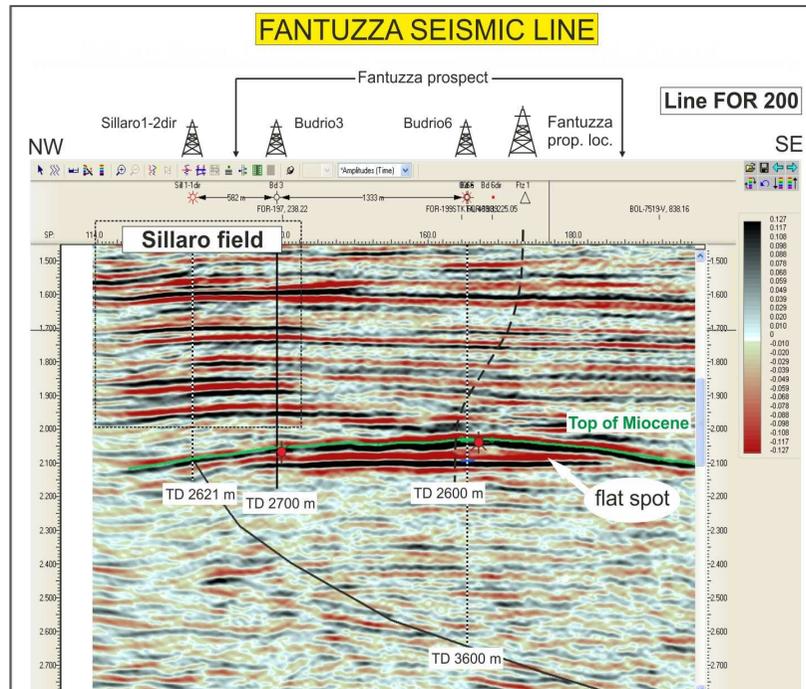
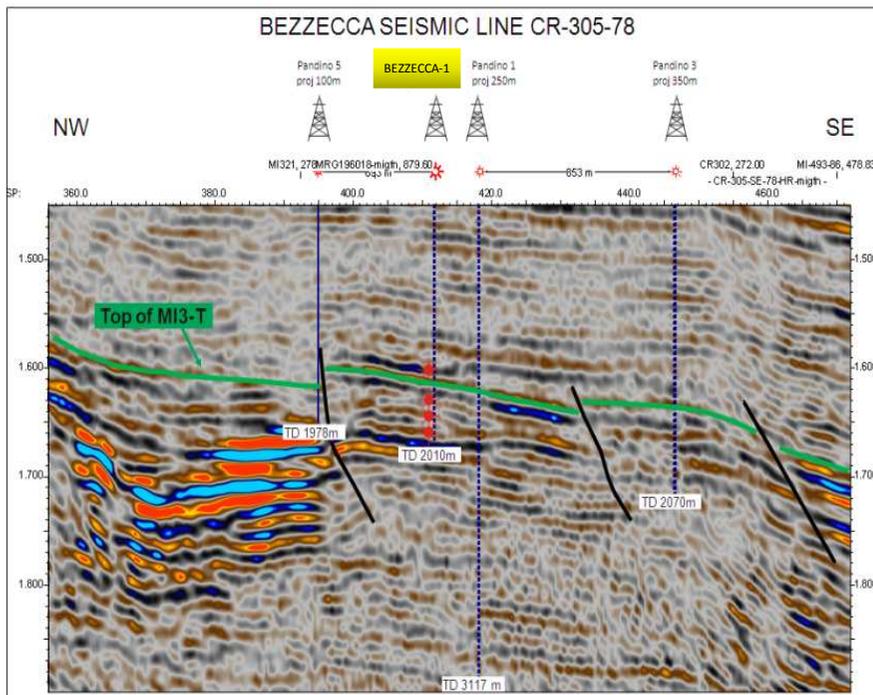
BEZZECA GAS DEVELOPMENT AND FANTUZZA APPRAISAL

Bezzecca (Cascina San Pietro permit, Milan)

- Bezzecca-1 well drilled and 3 levels tested (total 3.9 mmcf/day),
completed on 3 levels
- Contingent Resources: 1C: 0.7bcf; 2C: 3.1bcf; 3C:5.8 bcf
- Targets– Pliocene & Miocene at 2,010m depth
- Application for production concession lodged in January 2011
- Phased development plan with tie-in into Castello gas plant proposed

Fantuzza (Crocetta permit, Bologna)

- Expected to feed into Sillaro plant 2 km away
- Contingent Resources: 1C: 1.5bcf; 2C: 5.4 bcf; 3C 8.0 bcf
- Targeting 2,600m Miocene structure
- Fantuzza-1 site selected, drilling approvals expected mid 2011
- Options for farmout of the well continue to be pursued

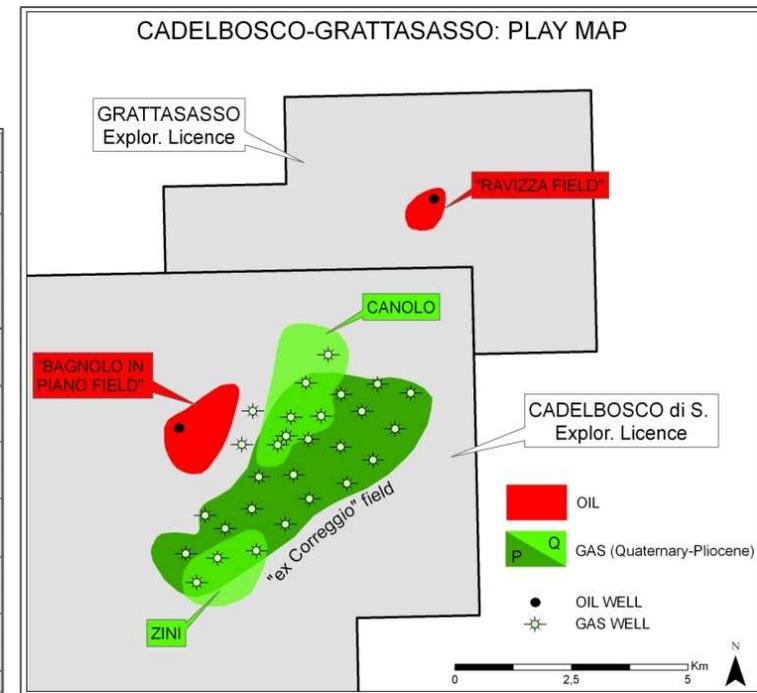
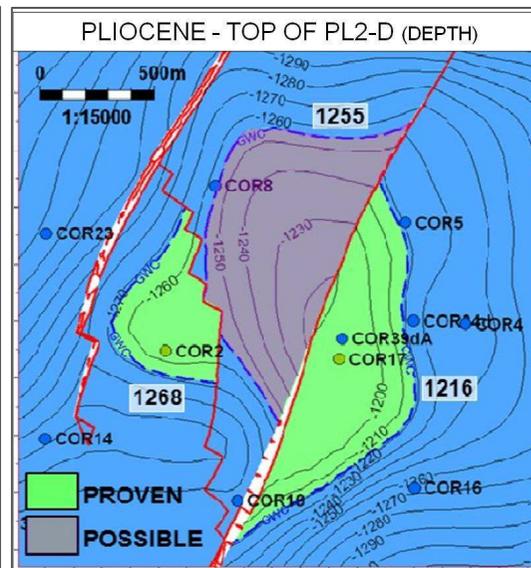
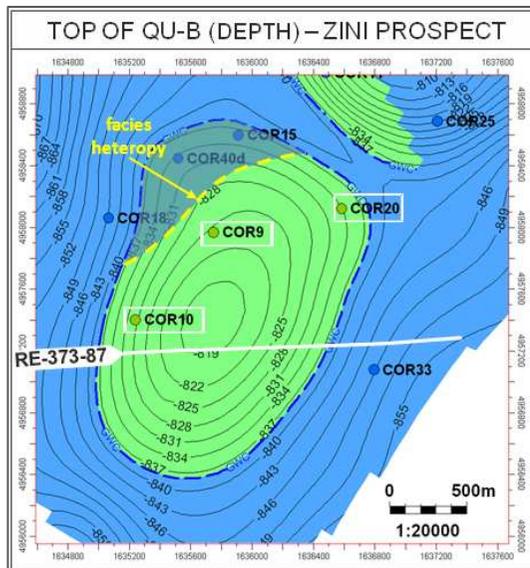


CADELBOSCO AND GRATTASASSO



PROMISING EXPLORATION/APPRaisal OPPORTUNITIES

- 🔥 Targeting the former ENI producing Correggio gas field
- 🔥 Past production ~250 bcf
- 🔥 Full grant of the licences awarded in March 2011
- 🔥 Purchased 111km of 2D seismic data from ENI
- 🔥 2 shallow Quaternary prospects already identified (Canolo and Zini):
1C: 1.2 bcf
2C: 4.2 bcf
3C: 6.9 bcf
- 🔥 G&G work on Pliocene targets ongoing
- 🔥 Planning 3D seismic acquisition
- 🔥 Targeting drilling by 1Q 2012



EXPLORATION PROSPECTS



MULTIPLE OPTIONS FOR UPSIDE VALUE

GRADIZZA

- La Prospera exploration permit
- Target depth 1,000m
- Drilling approval pending
- Prospective Resources (unrisked): best estimate 9.0 bcf

CEMBALINA

- Podere Gallina exploration permit
- Target depth 1,200m
- Preliminary evaluation of Prospective Resources (unrisked): best estimate 9.8 bcf

DOSSO DELLE ANIME (preliminary granted)

- La Risorta exploration permit
- Target depth 2,100m
- Preliminary evaluation of Prospective Resources (unrisked): best estimate 18.3 bcf

AR168PY (preliminary granted)

- Northern Adriatic sea: offshore extension of Po Valley
- Shallow water depth ~ 20m
- Full 3D seismic coverage already available
- Full grant of licence to follow
- 4 drilled and tested gas discoveries by ENI
 - Irma/Carola
 - Adele
 - Azzurra
 - Ginevra

FINANCIAL HIGHLIGHTS



2010 OPERATING PERFORMANCE AND KEY FINANCIALS

OPERATING PERFORMANCE FOR THE 12 MONTHS ENDED 31 DECEMBER 2010

	Million m3	bcf	Notes
Sillaro Production	18.5	0.66	Steady production in 2010
Castello Production	8.3	0.29	New well to be drilled in 2H 2011
Total	26.8	0.95	Up 69% in 2H 2010 compared to 1H 2010

Average price (€/m ³)	0.27	10.5 (AUD\$/mcf)	High realised prices
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SUMMARY FOR THE 12 MONTHS ENDED 31 DECEMBER 2010

	EUR m	AUD m	Notes
Revenue	7.1	9.2	First revenue year for PVE
Operating costs	(1.7)	(2.2)	Low cost per cubic metre
Operating cashflow	5.4	7.0	Good cash generation
Technical, General & Admin. costs	(3.3)	(4.3)	
EBITDA	2.2	2.8	Positive EBITDA
<i>Operating Margin (Sillaro+ Castello)</i>	<i>76%</i>	<i>76%</i>	<i>High (and increasing) profit margin</i>
<i>Operating margin for Sillaro</i>	<i>90%</i>	<i>90%</i>	<i>Efficient operations</i>

CONSERVATIVE BALANCE SHEET

FUNDS FOR GROWTH



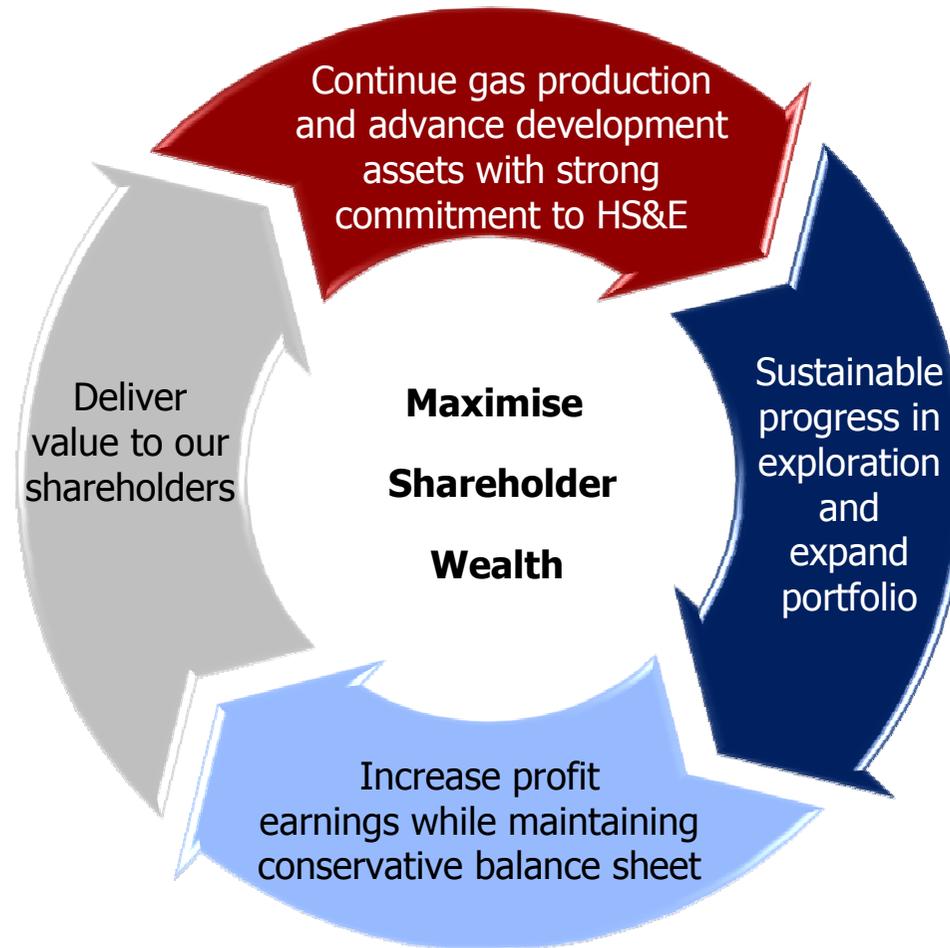
FINANCIAL KPI (as at 31 Mar 2011)	AUD\$
Share Price	0.23
Cash at Bank	2.2m
Market Cap (at AUD\$0.23)	25.4m
Drawing on BOS Facility (EUR 6m)	8.2m
BOS borrowing limit (EUR 9.1m)	12.4m

MAJOR SHAREHOLDERS (as at 31 Mar 2011)	SHARES(M)	%
Michael Masterman	26.2	23.7%
Hunter Hall	15.9	14.7%
Beronia Investments	7.1	6.4%
Other Investors	61.4	55.2%
Total *	110.8	100%

- 💧 €20m Bank of Scotland facility used to finance construction of Sillaro and Castello production plants
- 💧 Full 2010 year reduction in borrowings with Bank of Scotland debt by €4.3m, from €10.3 million to €6 million
- 💧 €20m finance facility (expiring in November 2013) ensures material funding capacity to bring near development assets into production
- 💧 Strong cash conversion cycle for accounts receivable - average 20 days
- 💧 Working capital surplus at Dec10 of €3m

STRATEGY

SUSTAINABLE GROWTH



STRATEGY IN ACTION



12 MONTHS WORK PROGRAM



Production

- Produce steadily from Sillaro
 - Sillaro 2010 production 0.66 bcf
- Drill new Vitalba-1 dirA well and increase production rates
 - Castello 2010 production 0.29 bcf



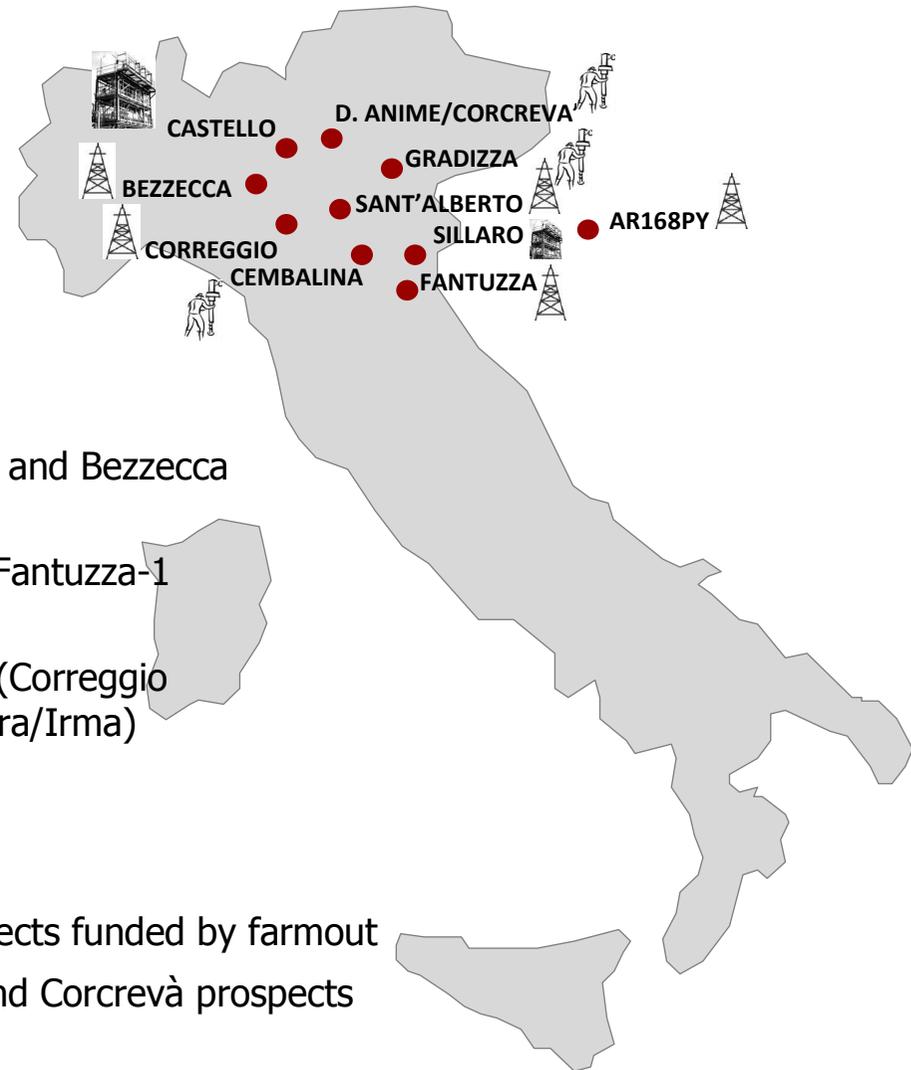
Appraisal Development

- Achieve development approval for Sant'Alberto and Bezzacca fields
- Progress to expand Sillaro production through Fantuzza-1 funded by farmout
- Progress G&G activity on Cadelbosco Di Sopra (Correggio area) and secure full award of AR168PY (Azzurra/Irma) licence



Exploration

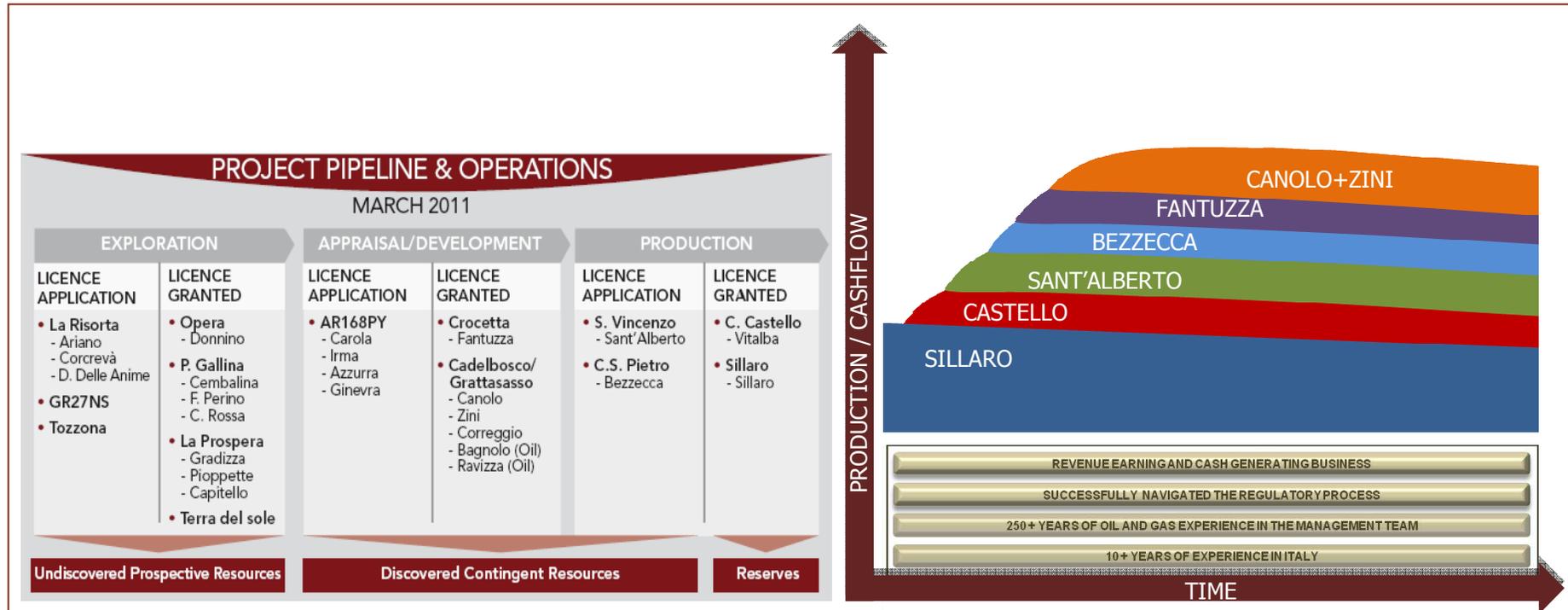
- Drill Gradizza and Cembalina exploration prospects funded by farmout
- Progress to drilling status Dosso delle Anime and Corcrev  prospects



FUTURE DEVELOPMENTS



SOLID FOUNDATION FOR GROWTH



Strong Exploration And Development Portfolio To Support Substantial Organic Growth

Cash generating Business

Established Position To Pursue New Opportunities

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- 🔥 Exploration & Production highlights
- 🔥 Board of Directors
- 🔥 Health, Safety & Environmental activity in Italy
- 🔥 Reserves & Resources Statement



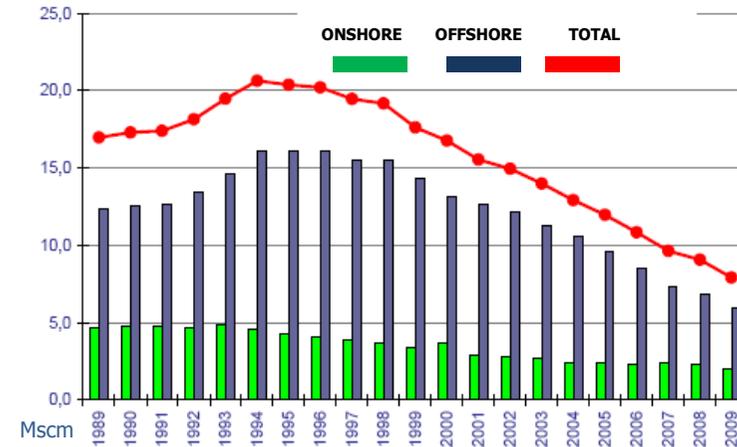
ITALY: EXPLORATION & PRODUCTION



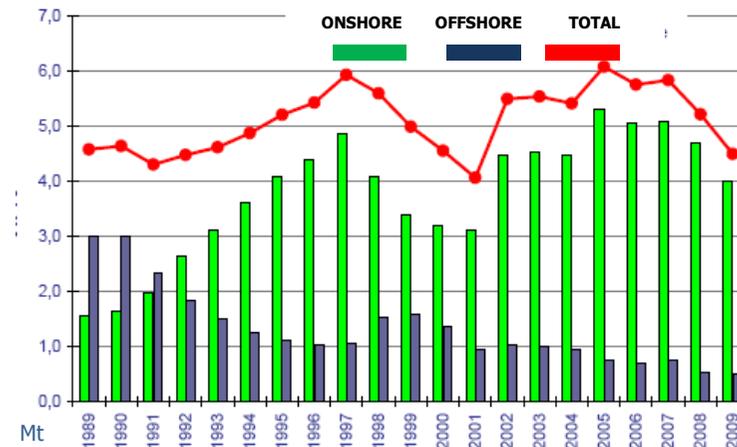
INVESTMENT BACKGROUND

- Stable government
- Effective corporate tax rate around 34%
- EU and G8 member country
- Favourable royalty regimes – 10% (royalty exemption on first 25 Mm³ (~0.9 Bcf) produced each year)
- Gas prices are based off import driven gas procurement contracts (thus considerably higher than countries with material domestic production)
- Low cost environment with well developed infrastructure (extensive national gas grid which makes connection inexpensive and effortless)
- More than 60 E&P companies present including majors ENI, Shell, Total
- Onshore: 118 Oil&Gas production concessions
- Offshore: 66 Oil&Gas production concessions
- Approximately €800m in annual E&P investments

Italy Gas Production 1989 - 2009



Italy Oil Production 1989 - 2009



BOARD OF DIRECTORS

EXCELLENT MIX OF SKILLS, EXPERTISE AND EXPERIENCE



Mr Graham Bradley
Chairman

Graham joined PVE as a director and Chairman in September 2004 and is based in Sydney. He is currently Chairman of Stockland Corporation Ltd, HSBC Bank Australia Ltd, and Anglo American Australia Ltd.



Mr David McEvoy
Non Executive Director

David joined PVE as a Director in September 2004 and is based in Sydney. He is currently a Non Executive Director of Woodside Petroleum Ltd, Australian Worldwide Exploration and Innamincka Petroleum Ltd.



Mr Michael Masterman
Deputy Chairman

Michael is a co-founder of PVE. Michael took up the position of Executive Chairman and CEO of PVE and Northsun Italia S.p.A. in 2002 and resigned in October 2010 to take on an Executive role with Fortescue Metals Group Ltd.



Mr Greg Short
Non Executive Director

Greg Short was appointed Non Executive Director in July 2010. Greg is a Non Executive director of ASX listed MEO Australia and Pryme Oil and Gas Ltd.



Mr Byron Pirola
Non Executive Director

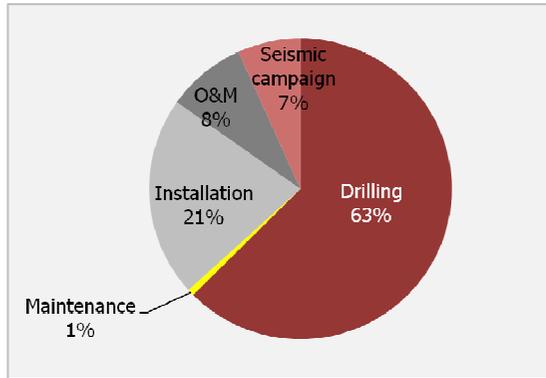
Byron is a co-founder of PVE and is based in Sydney. He is currently a Director of Port Jackson Partners Ltd, a Sydney based strategy management consulting firm.

HS&E HIGH STANDARDS

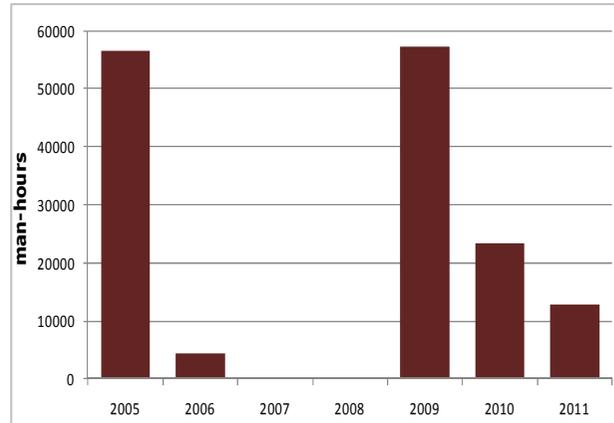


5 YEARS OF HEALTH, SAFETY AND ENVIRONMENTAL STATS

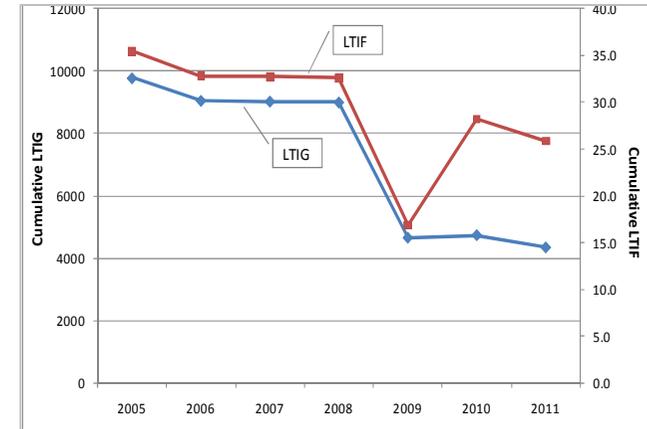
TOTAL MAN-HOURS PER OPERATION



TOTAL MAN-HOURS PER YEAR



CUMULATIVE LTIF & LTIG



OPERATION	5YRS TOTAL MAN-HRS
Drilling	96,720
Maintenance of well sites	1,112
Installation of product. surface facilities	33,274
O&M production sites	13,116
Seismic campaign	10,410
TOTAL MAN HOURS	154,632
TOT LOST HOURS	672

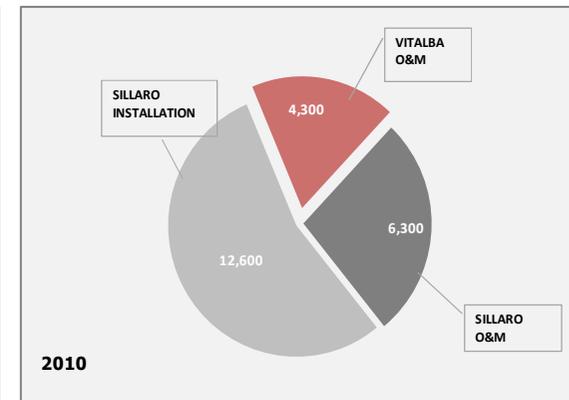
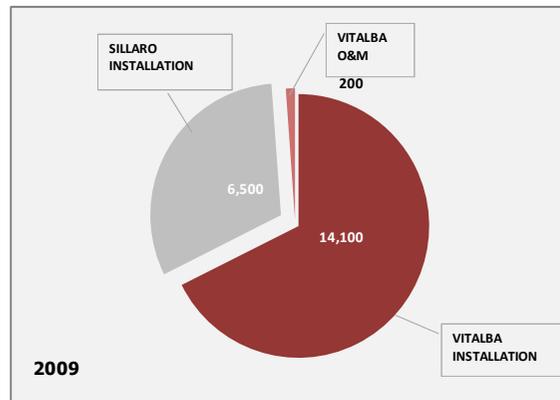
$$LTIF = \frac{n.injuries * 1.000.000}{n.manhours}$$

Lost Time Injuries Frequency

$$LTIG = \frac{n.losthours * 1.000.000}{n.manhours}$$

Lost Time Injuries Gravity

TOTAL MAN-HOURS 2009/2010



RESULTS 2009/2010	
Total man hours	44,000
Total on-site lost hours due to accidents	0

RESERVES & RESOURCES STATEMENT



COMPARATIVE REVIEW

During the past year the Company commissioned a thorough, independent review of its reserves and resources by Dedicated Reservoir Engineering and Management (DREAM) and UK based RPS Group Plc, resulting in some adjustments to previously estimated reserves. The table below shows the previous reserves and resources compared to the recent update released in the 2010 Annual Report.

LICENCE	PROJECT	RESERVES (BCF)						RESOURCES (BCF)									COMMENTS			
		LAST UPDATE (Sept 2010)			ANNUAL REPORT 2010			CONTINGENT			PROSPECTIVE			CONTINGENT				PROSPECTIVE		
		1P	2P	3P	1P	2P	3P	1C	2C	3C	LOW	BEST	HIGH	1C	2C	3C		LOW	BEST	HIGH
Castello	Vitalba	0.1	3.7		0.1	3.6														DREAM
Sillaro	Sillaro	8.1	8.8		7.5	8.2														DREAM
San Vincenzo	Sant'Alberto						8.0	12.9					3.9	8.9	18.5					RPS
C. San Pietro	Bezzecca						0.7	3.1					0.7	3.1	5.8					RPS
Crocetta	Fantuzza						1.5	5.4					1.5	5.4	8.0					DREAM
Cadelbosco	Canolo+Zini												1.2	4.2	6.9					RPS/DREAM
	Correggio						-	35.0												DREAM
	Ravizza						UNDER REVIEW						UNDER REVIEW						PVE	
	Bagnolo in Piano						UNDER REVIEW						UNDER REVIEW							
AR168PY	Carola, Irma						UNDER REVIEW						UNDER REVIEW							
	Azzurra						UNDER REVIEW						UNDER REVIEW							
	Ginevra						UNDER REVIEW						UNDER REVIEW							
	Adele						UNDER REVIEW						UNDER REVIEW							
La Prospera	Gradizza						-	-	-							4.5	9.0	16.0		IN-HOUSE
	Pioppette						-	-	-							UNDER REVIEW				
	Capitello						-	-	-							UNDER REVIEW				
Podere Gallin	Cembalina						-	-	-							3.6	9.8	19.7		EVALUATION
	Fondo Perino						-	-	-							UNDER REVIEW				
La Risorta	Ariano						-	-	-							10.6	16.6	24.7		
	Corcrev						-	-	-							7	8.8	11.3		
	Dosso. delle Anime						-	-	-							13.8	18.3	24.4		
Opera	Barona						-	-	-							UNDER REVIEW				
	Donnino						-	-	-							UNDER REVIEW				
D27GRNS	Sicily offshore						-	-	-							UNDER REVIEW				