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WILDHORSE ENERGY LIMITED EMPLOYS TEAM OF UCG INDUSTRY LEADERS, ACQUIRES UCG TECHNOLOGY IP AND FORMS STRATEGIC ALLIANCES WITH INDUSTRY SPECIALISTS

Highlights

- Underground Coal Gasification (UCG) management team strengthened with appointment of highly experienced internationally recognised leaders in coal gasification and UCG projects, Mr Johan Brand and Mr Peter van Vuuren – complements existing team which includes Dr. Michael Green
- Both gained experience at Sasol Limited (Sasol), the world's leading coal gasification company
- Agreement signed to acquire specialist UCG technology intellectual property (IP) from African Carbon Energy Pty Limited (Africary), a South African UCG development company
- Agreements to form strategic alliances with CDE Process Limited (CDE) and Aqua Alpha Drilling Limited (Aqua Alpha)
- CDE is a key supplier of specialist process engineering services to companies such as Sasol and Eskom (South Africa's electricity supplier) while Aqua Alpha is a specialist directional drilling company – both companies established by ex-senior Sasol management
- All initiatives implemented to fast track the commercialisation of the highly prospective Mecsek Hills Gas (UCG) Project in Hungary

WildHorse Energy Limited, in anticipation of the completion of the Schemes of Arrangement to acquire Peak Coal Limited (Peak Coal) and its Mecsek Hills Gas (UCG) Project in Hungary, is pleased to announce a series of significant developments focussed on fast tracking the Mecsek Hills Gas (UCG) Project in Hungary ('the Project').

Agreements to Appoint Key UCG Management Executives

The Company has signed agreements to employ Mr Johan Brand as UCG Project Director, and Mr Peter van Vuuren as UCG Technology Manager. Mr. Brand is a highly experienced and recognised leader in the field of coal gasification and UCG. Mr van Vuuren has extensive coal gasification and gas processing experience. Both will be based in Hungary and will manage the on-ground development of the Mecsek Hills Gas ('UCG') Project.

Mr. Brand and Mr. Vuuren are previous and current employees (respectively) of Sasol, the world's leading coal gasification company. Based in South Africa, Sasol has been gasifying coal and producing liquid fuels and chemicals for approximately 50 years. Sasol gasifies approximately 27 million tonnes of coal annually and produces approximately one third of South Africa's fuel requirements.

The Board of WildHorse believe that Mr Johan Brand's and Mr Peter van Vuuren's extensive coal gasification experience will greatly assist the Company's plans to fast track the development of the Mecsek Hills UCG Project, both in terms of practically developing the project and in relation to building confidence with prospective customers, suppliers, financiers and other stakeholders. The Board considers their appointment to be a major step in the process to develop Peak Coal's Mecsek Hills Gas (UCG) Project and that their collective level of practical mining and coal gasification experience, together with Dr. Michael Green's expertise, will provide a considerable advantage to its development.

Mr Johan Brand – UCG Project Director

Mr Brand was previously an employee of Sasol for 13 years and, between the years of 2006 and 2009 held the position of UCG Business Manager. He was responsible for the establishment and management of UCG as a Sasol business unit. His specific responsibilities in this role included managing:

- the UCG business design for the lowest capital and operating costs
- preparation of capital and operating budgets
- preparation of development strategies and schedules
- human resource need identification, recruitment, appointment and training in relation to UCG concept design, basic engineering, construction and operation
- commissioning and start-up of the UCG operation
- sub contractors, consultants, internal and external stakeholders

Mr. Brand is internationally recognised as a leader in the field of UCG and is regularly called upon to make presentations at international conferences. Since 2007 he has been a regular guest lecturer on the topic of 'UCG as a mining technology' at the University of the Witwatersrand. Mr Brand has a degree in mechanical engineering from the University of Pretoria and an MBA from North West University, both in South Africa.

Mr Peter van Vuuren – UCG Technology Manager

Mr. van Vuuren has worked for Sasol for six years and between 2006 to the current time, was the lead process engineer for the Sasol UCG team. Mr van Vuuren specialises in technology selection, gasification process modelling and commercial chemical plant design. He was responsible for Sasol's UCG project concept development and for managing engineering contractors for completion of the Basic Engineering Package. Mr van Vuuren has a Masters Degree in chemical engineering from the University of Stellenbosch.

Agreement to Acquire UCG IP

Related to the agreement to employ the key executives, WildHorse has entered into an agreement to acquire important UCG technology IP from Africary. The acquisition of this IP gives WildHorse direct ownership and access to process models and technology required to manufacture and operate a UCG syngas facility. The IP consists of UCG related drawings, designs, models, methods, standards and specifications.

It is expected that the acquisition of this IP will enable WildHorse to save significant development time and to fast track the commercialisation of the Mecsek Hills Gas (UCG) Project.

This specific IP was developed for Africary by CDE, a party to the Strategic Alliance agreement referred to below.

It is expected that the acquisition of this IP will significantly reduce WildHorse's design, planning and feasibility requirements for developing the Mecsek Hill Gas (UCG) Project and fast-track its development schedule.

The acquisition of the UCG technology is subject to certain conditions, including:

1. The completion of the Schemes of Arrangement for WildHorse to acquire Peak Coal
2. WildHorse being satisfied with its technical due diligence on the UCG IP to be acquired from Africary
3. WildHorse Board approval of the acquisition

In consideration for the sale of this IP, WildHorse has agreed (subject to conditions being satisfied) to pay a cash amount of A\$553,000 and to issue upon settlement A\$500,000 worth of WildHorse shares. WildHorse has also agreed to provide a Non Exclusive License Agreement for the use of this IP in respect to specified projects in Southern Africa to an entity associated with the major shareholder of Africary, Mr Eliphus Monkoe.

Agreements to Form Strategic Alliances with Drilling and Coal Gasification Specialists

WildHorse has also entered into Strategic Alliance Agreements with CDE and Aqua Alpha. CDE is a key supplier of process engineering services to companies such as Sasol and Eskom (South Africa's electricity supplier) and Aqua Alpha is a specialist directional drilling company. The owner and principal of Aqua Alpha, Mr Conrad Kahts, was previously Manager of Directional Drilling for Sasol for seven years.

These alliances will benefit WildHorse through the suppliers' gasification and directional drilling experience and will also provide a dedicated resource that can be called upon as required by WildHorse and provides access to industry specialists.

Under the terms of these agreements WildHorse can draw upon the specialist skills and experience of these suppliers which has been developed over many years in the coal mining and gasification industries in South Africa.

For and on behalf of the Board