

5 December 2012

Non-renounceable Rights Offer

Transerv Energy Limited (ASX Code: TSV) (**Transerv**) is pleased to announce that it will be offering eligible shareholders the opportunity to acquire additional fully paid ordinary shares in the capital of the Company (**Shares**) via a non-renounceable rights offer (**Offer**) on the basis of two (2) Shares for every nine (9) Shares held at the record date of 14 December 2012.

The Offer will be made in accordance with section 708AA of the *Corporations Act 2001* (Cth), as modified by ASIC Class Order 08/35.

Shares under the Offer will be issued at 0.6 cents each. The maximum number of Shares which may be issued under the Offer is up to approximately 765 million Shares (assuming no options are exercised before the Record Date), which would raise up to approximately \$4.6 million. Transerv is undertaking the Offer to fund ongoing exploration and development activities in Canada, including a Montney Channel field step-out well in the Paradise area, further land acquisition in the Montney Resource Play as well as for general working capital purposes.

The Offer will be open to all shareholders who are on the Company's register as at 5:00pm (WST) on 14 December 2012 and who have a registered address in Australia or New Zealand.

The anticipated timetable for the Offer is as follows*:

Announcement of Offer	5 December 2012
Lodgement of Appendix 3B, section 708AA(2)(f) Cleansing Notice and Offer Document with ASX (prior to the commencement of trading)	6 December 2012
Notice of pro rata issue sent to security holders	7 December 2012
Shares quoted on an "EX" basis	10 December 2012
Record Date (date for determining entitlements of Eligible Shareholders to participate in the Offer) (5pm WST)	14 December 2012
Offer Document and Entitlement and Acceptance Form despatched to Eligible Shareholders	17 December 2012
Closing Date of Offer**	24 January 2013
Securities quoted on a deferred settlement basis	25 January 2013
Notification of under subscriptions	29 January 2013
Allotment date, despatch of holding statements. Deferred settlement trading ends.	30 January 2013

*These dates are indicative only.

** Subject to the Listing Rules, the Directors reserve the right to extend the Closing Date for the Offer. Any extension of the Closing Date will have a consequential effect on the anticipated date for allotment and issue of the Securities.

Stephen Keenihan
Managing Director