



16 April 2012

ASX/AIM Code: WHE

WILDHORSE ENERGY LIMITED
DISPOSAL OF NON-CORE US URANIUM ASSETS FOR A CASH CONSIDERATION OF US\$1.4
MILLION

Wildhorse Energy Limited ('WHE' or 'the Company'), the AIM and ASX listed company focussed on developing underground coal gasification ('UCG') and uranium projects in Central Europe, is pleased to announce that it has entered into a definitive agreement to sell its non-core Sweetwater uranium project ('Sweetwater'), located in Wyoming USA, to a major mining company for a cash consideration of US\$1,400,000.

Under the terms of the Asset Purchase, Sale and Option Agreement ('the Agreement'), the Buyer will hold back US\$200,000 in order to satisfy certain conditions subsequent. Additionally the Buyer has the option to purchase the Company's Bison Basin uranium project, also in Wyoming, for an additional payment of US\$100,000 for a period of 120 days commencing on the date of the Agreement.

At 31 December 2011, the Sweetwater and Bison Basin assets accounted for a net asset value of approximately \$1.5 million (included within non-current assets held for resale) as shown in note 6 to the interim results announced on 15 March 2012.

The disposal of these assets is in keeping with the Company's strategy to focus on becoming a leading supplier of fuel to power stations in Central and Eastern Europe, which has a highly supportive energy dynamic and positive pricing environment due to the region's reliance on gas imports. In line with this, the cash proceeds will be used to further progress the Company's primary Mecsek Hills UCG Project in Hungary up the development curve towards first production of synthetic gas ('syngas'), which can be used as a feedstock for power stations. Additionally, the Company's regional portfolio includes the 42.9 sq km Pécs uranium licence, also in Hungary, which when combined with Mecsek-Öko's adjoining 19.6 sq km MML-E licence area, forms the Mecsek Hills Uranium Project, which has a total JORC Inferred Resource of 48.3Mt at 0.072% uranium for 77Mlbs of uranium. The Company is currently working towards forming a joint venture with the Hungarian State-Owned entities to re-start uranium mining at the project.

WHE Managing Director Matt Swinney said, "The sale of these ancillary uranium assets is highly positive for the Company and enables us to augment our cash position following the successful completion of the Pre-feasibility Study at our primary Mecsek Hills UCG Project. The completion

of the Pre-feasibility Study, which demonstrated that attractive economic fundamentals may be achieved through the application of UCG technology, has prompted us to immediately initiate a Bankable Feasibility Study at the project as well as commencing a programme to identify and secure suitable strategic partners to fund its completion. These additional funds will provide further capital to commence this key strategic objective.

“Although these US assets are prospective, we are focussed on developing our European energy portfolio, comprised of UCG and uranium assets, which provide us with exposure to the compelling regional gas dynamics. With this in mind, this transaction enables us to focus our portfolio and geographic presence whilst also generating value for shareholders.”

****ENDS****

For further information please visit www.wildhorse.com.au or contact:

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|--------------------|-------------------------------|--------------------------|
| Matt Swinney | Wildhorse Energy Limited | Tel: +44 (0)207 292 9110 |
| Daniela Amihoud | Grant Thornton UK LLP | Tel: +44 (0)207 383 5100 |
| Richard Greenfield | GMP Securities Europe LLP | Tel: +44 (0)207 647 2800 |
| Clayton Bush | Liberum Capital Limited | Tel: +44 (0)203 100 2222 |
| Susie Geliher | St Brides Media & Finance Ltd | Tel: +44 (0)207 236 1177 |

Further Information on Wildhorse:

Wildhorse Business Model

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 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.

Competent Persons Statement

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 who 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”.