



EGL

EUROPEAN GAS LIMITED

Disclaimer

The presentation may contain forward-looking statements and estimates regarding the intentions of the Company, and these will be affected by movements in share markets, commodity prices, technical variabilities and many other factors beyond the control of the Company and its personnel. The presentation must be considered in the light of these estimates and uncertainties and investment in European Gas Limited should be considered as speculative in nature.

Presentation

Annual General Meeting

16 November 2009

2009 Milestones

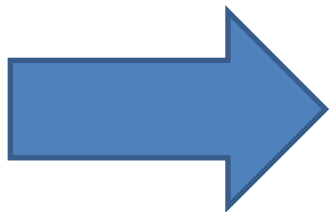
- Major reshuffling of the organization
- New Board of Directors in place
- New Management Team to lead the company
- New Strategy with key deliverables and clear timeline
- Resuming of our CBM operations in Lorraine
- Extension of our production permit in Gazonor and grant of the Valenciennois exploration permit located in northern France
- Increase of our Contingent Resource estimates to 14,980 PJ (14.14 Tcf)

New Board of Dedicated Directors

Julien Moulin Acting Managing Director	Mr Moulin is co-founder of Maoming Investment Manager Ltd, an investment management company investing globally in listed and unlisted companies. He has held positions at Global China Fund, SKI Capital and UBS Global Asset Management. Mr Moulin also holds directorships with Envision Energy and Legend Media Inc.
Rod Bresnehan Non Executive Director	Mr Bresnehan has 35 years of experience in the oil and gas industry in both upstream resources and reserves development; and in downstream commercial and marketing areas, with specific recent emphasis on coal bed methane projects. He has held positions at Santos Limited and Oil Company of Australia (Origin Energy). Mr Bresnehan is currently Chairman of the Australian Council of the Society of Petroleum Engineers.
Sebastian Hempel Non Executive Director	Mr Hempel is a corporate lawyer with over 18 years advisory experience with ASX listed companies and in the resources sector. He has held positions at Minter Ellison, Macquarie Bank Limited and the Australian Securities Exchange. Mr Hempel is also a director of Prosperity Resources Limited.
Gauthier de Potter Non Executive Director	Mr De Potter is a qualified Electro-Mechanical Engineer and Certified Financial Analyst. Previous senior positions held at JP Morgan, Tractebel and Bechtel Enterprises/InterGen. Also an executive director of Transcor Astra Group, a subsidiary of Compagnie Nationale à Portefeuille S.A.

Restructuring of the company

- Reduction in operating costs across the entire Company and operations
- Termination of 2 previous executive directors of the Company
- Closure of the Paris office headquarters
- Consolidation of staff and operations at Gazonor location in Nord Pas de Calais, north eastern France
- Reduction in size of the Freyming-Merlebach office, commensurate with its regional operations
- Further cost reductions expected upon the appointment of a new Executive General Manager for the Company



Expected savings by Q1 10: > €1.5m pa

New Strategy

- On top of a reduction of operating costs across the whole Company our goal is to reshape the organisation, building on existing in-house talents
- As a CBM exploration company with CMM production, our strategy is a balanced approach between exploration and production operations
 - Exploration will primarily focus on lower risk prospects with higher risk targets subject to risk sharing arrangements
 - Focus on the operation and development of Gazonor/Valenciennois existing gas production and new well potential production
 - Production and optimisation of our CMM operations will assist the building of a base line cashflow for parallel exploration projects
 - Finalise our test on Folschviller 2 to continue with the evaluation of the commerciality potential of Lorraine permit
 - Evaluation of the exploration opportunities in the Alsting Anticline area, Lons-le-Saunier, and Gardanne
- Active discussions underway with the holder of the Convertible Notes to restructure them – hoping to announce a proposal in the near term

Deliverables and Timeline

1.	Appointment of an Executive General Manager	30 th November 2009
2.	Appointment of a Chief Technical Officer	30 th November 2009
3.	Restructure of the Convertible Notes	31 st December 2009
4.	Raise additional project capital	31 st December 2009
5.	Preparation of CBM drilling program for Gardanne well	31 st December 2009
6.	Progressing front-end engineering design work for the installation and operation of power stations at Divion, Désirée and Lens in readiness for investment decision	31 st December 2009
7.	Development of lower-risk CBM prospects in the Gazonor permits	1 st Quarter 2010
8.	Update on reserves and resources	2 nd Quarter 2010
9.	Cooperation/Farm-in/partnership agreements to develop higher risk CBM prospects	2 nd Quarter 2010

Company Overview

- European Gas Limited is a hydrocarbon producer/developer/explorer with projects in western Europe.
- The strategy of the company is to develop Coal Bed Methane (CBM) and Coal Mine Methane (CMM) projects predominantly in France.
- Largest CBM acreage holder in France
 - Essentially there is 100% ownership of prospective acreage
- Substantial reserve and resource base
 - 2P reserves estimates of 131 Bcf and 3P reserves of 357 Bcf
 - Resource estimates of 14.1 Tcf
- European Gas Limited is listed on the Australian Securities Exchange under code EPG.
- Approx 213.9m shares on issue – More stable shareholder base with top 3 investors controlling c.30% and fully supportive of the restructure

EGL Reserves & Resources

Estimated Reserves as at July 2008

		Billions of Cubic Metres (Bm ³)	Billions of Cubic Feet (Bcf)	Petajoules (PJ)
Gazonor	1P	1.3	46	49
Gazonor	2P	3.7	131	140
Gazonor	3P	10.1	357	380

Contingent Resources as at November 2009

		Billions of Cubic Metres (Bm ³)	Billions of Cubic Feet (Bcf)	Petajoules (PJ)
Gazonor	C1 + C2 + C3	295.5	10,450	11,080
Lorraine	C1 + C2 + C3	104	3,691	3,900
TOTAL		399.5	14,141	14,980

Projects



Projects - France

Project	Name	Area (km ²)	Status	Beneficial Interest
Gazonor	Poissonnière	699	Production Permit	100%
	Désirée	68	Production Permit	100%
	Valenciennois	432	Exploration Permit ¹	100%
	Sud Midi	929	Exploration Permit Application	100%
Lorraine	Lorraine	460	Exploration Permit ²	100%
	Lorraine Sud	528	Exploration Permit	100%
	Lorraine Nord	360	Exploration Permit Application	100%
Gardanne	Gardanne	365	Exploration Permit ³	100%
Lons-le-Saunier	Lons-le-Saunier	3,795	Exploration Permit	100%
St Etienne	St Etienne	282	Exploration Permit	100%
		7,918		

¹ Application approval received 26th October 2009

² Subject to renewal area reduction to 263 km²

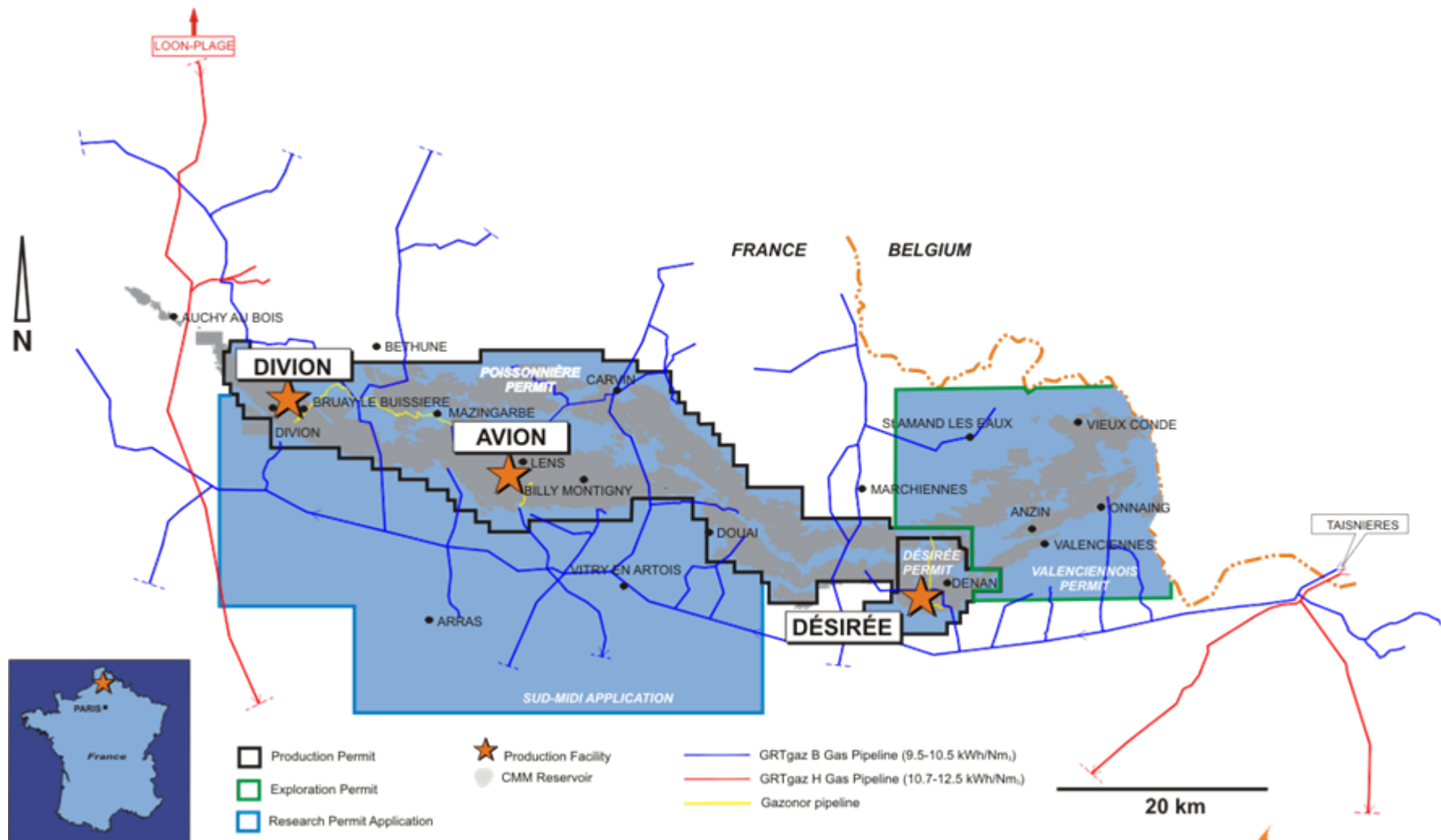
³ After relinquishments on renewal

Projects – Belgium, Italy

Project	Name	Area (km ²)	Status	Beneficial Interest
Wallonia, Belgium	Hainaut	443	Exploration Permit Application	50%
	Anderlues et Peronnes	40	Production Permit Application	50%
Tuscany, Italy	Sienna	478	Exploration Permit ⁴	100%
	Belforte	511	Exploration Permit ⁴	100%
	Cinigiano	564	Exploration Permit ⁴	100%
PROJECTS TOTAL		9,954		

⁴ Offered subject to approval of environmental management plans

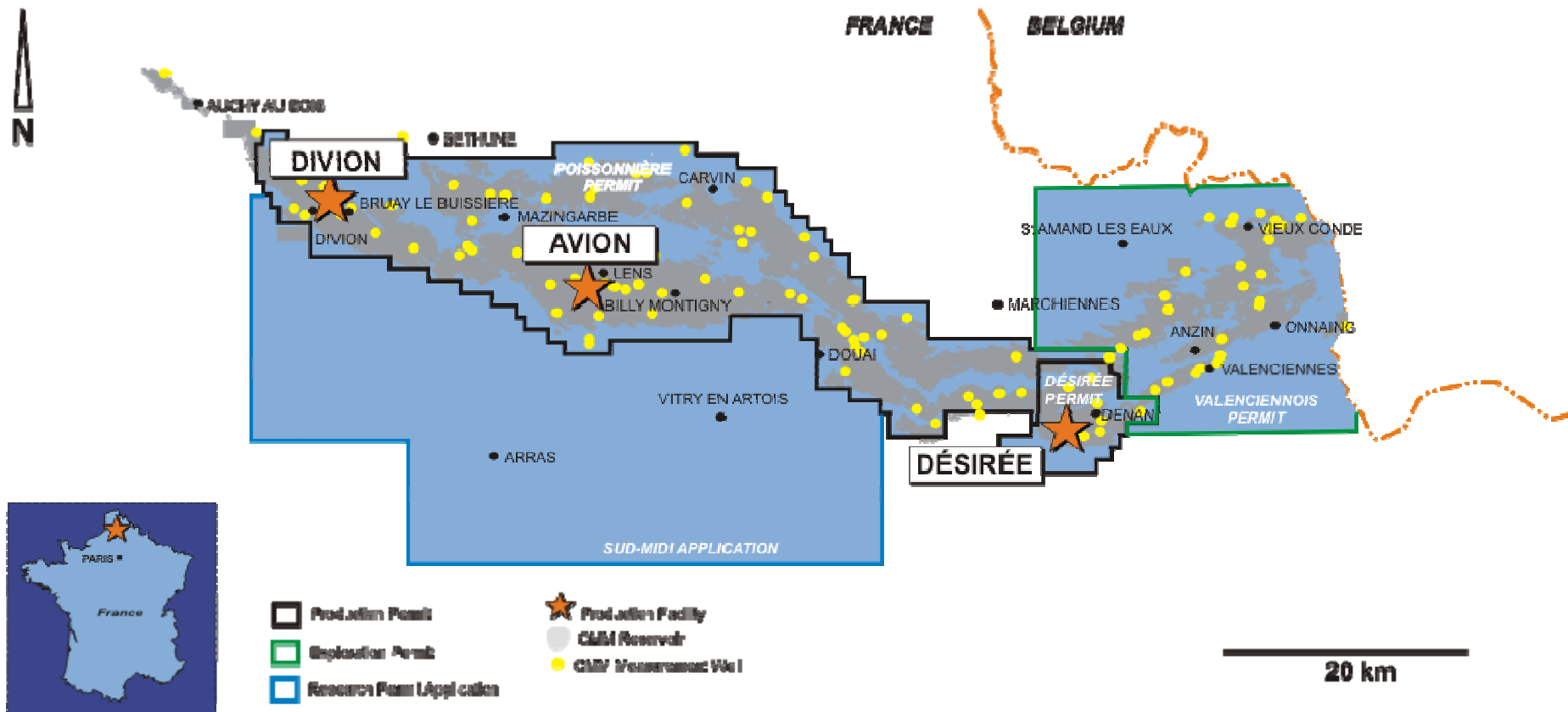
Gazonor



Estimated Reserves as at July 2008

	Billions of Cubic Metres (Bm ³)	Billions of Cubic Feet (Bcf)	Petajoules (PJ)
1P Reserves	1.3	46	49
2P Reserves	3.7	131	140
3P Reserves	10.1	357	380

As calculated by Deutsche Montan Technologie, Essen, Germany (DMT) July 2008 on behalf of European Gas Limited



Contingent Resources as at November 2009

		Billions of Cubic Metres (Bm ³)	Billions of Cubic Feet (Bcf)	Petajoules (PJ)
Poissonnière	C1 + C2 + C3	217	7,650	8,112
Désirée	C1 + C2 + C3	14	500	530
Valenciennois	C1 + C2 + C3	64.5	2,300	2,438
TOTAL		295.5	10,450	11,080

- Estimates to Society of Petroleum Engineers (“SPE”) and Petroleum Resource Management System (“PRMS”) standards
- Contingent Resources only calculated in production permit areas separately from CMM resources
- Resources are being re-assessed following granting of Valenciennois permit (432 km²) and as with Poissonnière and Désirée , it is presently contingent on achieving commercial flow rates and connection to facilities .
- The potential granting of the Sud Midi permit (929 km²) is expected to add to CBM resource estimates

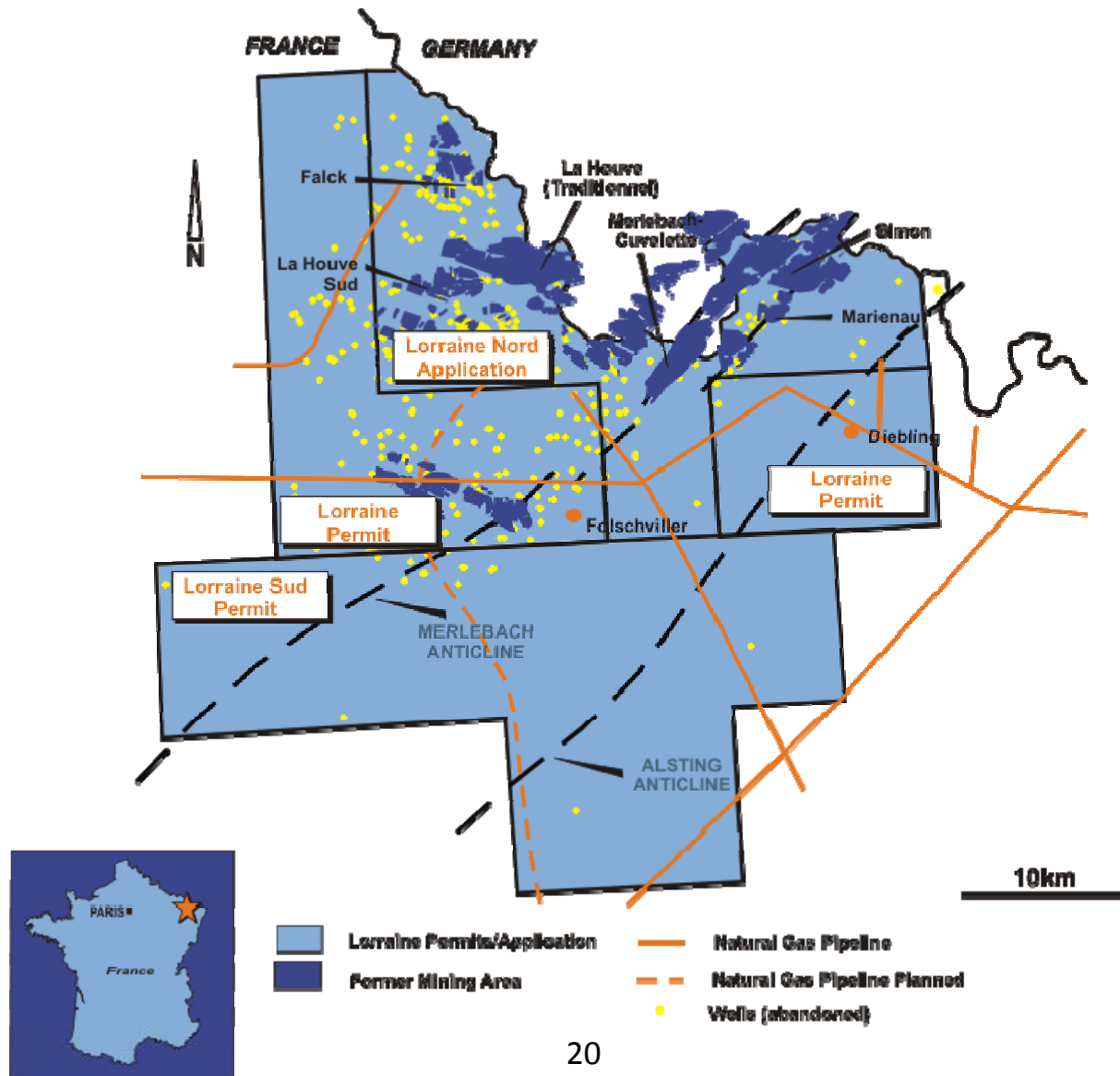


Gazonor Gas Sales FY2009



Gas sales for FY2009 totalled 333,734 MWh (1.2 PJ) at an average price of €23.37/MWh (€6.46/GJ)

Lorraine



Contingent Resources as at October 2008

		Billions of Cubic Metres (Bm ³)	Billions of Cubic Feet (Bcf)	Petajoules (PJ)
Lorraine	C1 + C2 + C3	54	1,899	2,010
Lorraine Sud	C1 + C2 + C3	50	1,782	1,890
TOTAL		104	3,681	3,900

- Estimates to Society of Petroleum Engineers (“SPE”) and Petroleum Resource Management System (“PRMS”) standards
- Resources presently contingent on achieving commercial flow rates and connection to facilities, and excludes Lorraine Nord application area (360 km²)

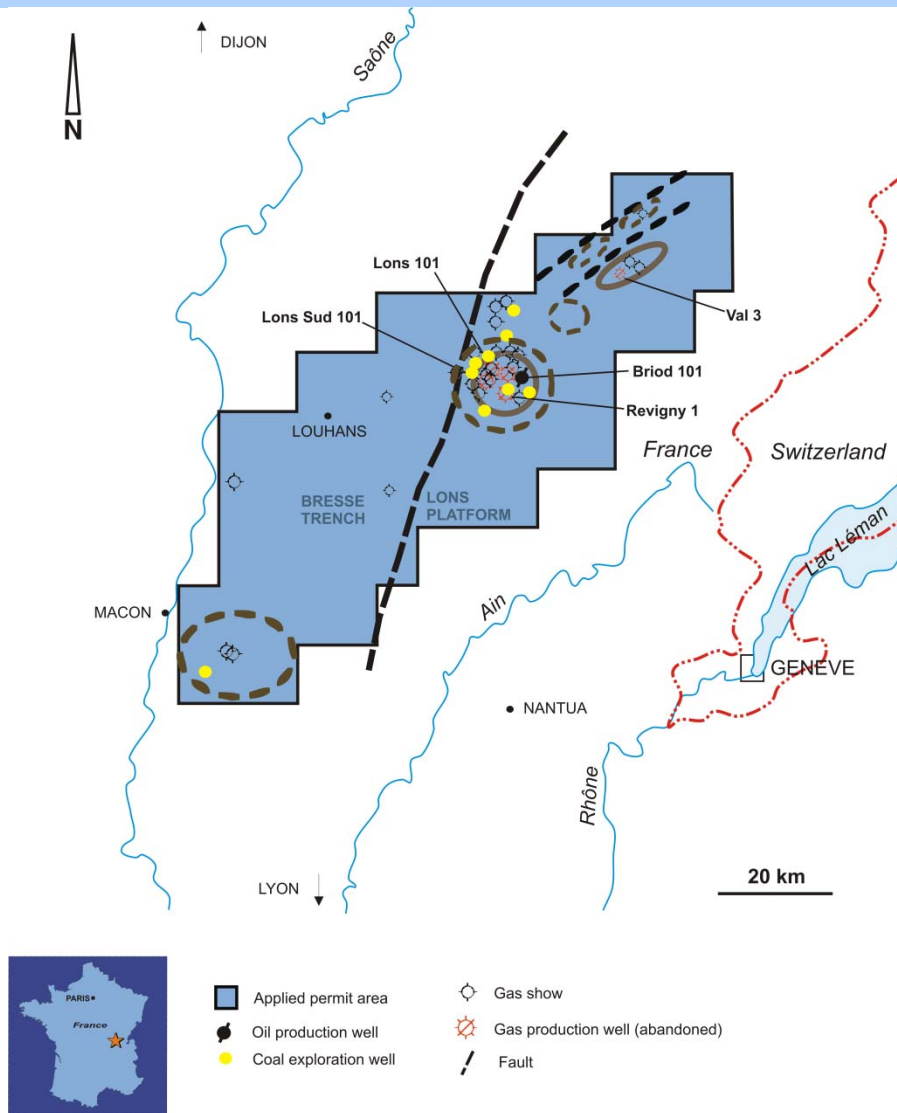
Lorraine

Folschviller 2 appraisal well



- Located 850 metres east of the Folschviller township
- Drilled to assess major coalseam's productivity
- Horizontally drilled and angled to butts/cleats
- Two laterals and two sidetracks completed
- Accessed 433 m of coal/ 367 m of gassy sediments
- Single –phase reservoir testing resumed Nov 09
- Cleanup water inflow successful on upper seam
- Workover rig arriving first week of December to remove packer and test the reservoir properties of the lower seam and suspected fracture zone

Jura (Lons-le-Saunier)



- 3,795 km² permitted
- Our Exploration Team is very positive on Jura
- Three principal hydrocarbon target groups:
 - CBM
 - Conventional gas
 - Conventional oil
- Drilling has delineated 370 million tonnes of coal in part of the coal basin
- Coal never mined due to very gassy nature
- Coal up to 30 metres net thickness
- A new seismic acquisition program will be done to further evaluate the structures.

Gardanne

- 365 km² permitted
- Coal production from the L'Arc Basin totals 80 million tonnes of sub-bituminous coal
- The coal-bearing sequence is up to 300 metres thick and contains up to 20 coal seams
- Joint Venture with Future Corp. of Australia
- Drilling Q2 2010

Gas in Place Resources as at October 2007

	Billions of Cubic Metres (Bm ³)	Billions of Cubic Feet (Bcf)	Petajoules (PJ)
Gas in Place Resources	2.8	99.1	105.1

As calculated by Deutsche Montan Technologie, Essen, Germany (DMT) October 2007 on behalf of European Gas Limited

Other Assets

Benelux Joint Venture, Benelux

- 50/50 JV with Transcor Astra Group (subsidiary of Compagnie Nationale à Portefeuille S.A. ("CNP")) announced April 2008
- EGL is the Operator
- Target is hydrocarbons including CBM and CMM in Belgium, Luxembourg and the Netherlands
- Application submitted to Wallonia Government for hydrocarbon permit "Hainaut" covering 443 km² and "Anderlues et Peronnes" covering 40 km²

Tuscany, Italy

- Southern Tuscany area containing a number of Tertiary sedimentary basins
- Rights cover 1,553 km²
- Limited coal mining activity was closed due to high methane contents
- Granted subject to acceptance of submitted preliminary Environmental Impact Statements
- Optioned to Future Corp. of Australia

Canning Basin, Australia

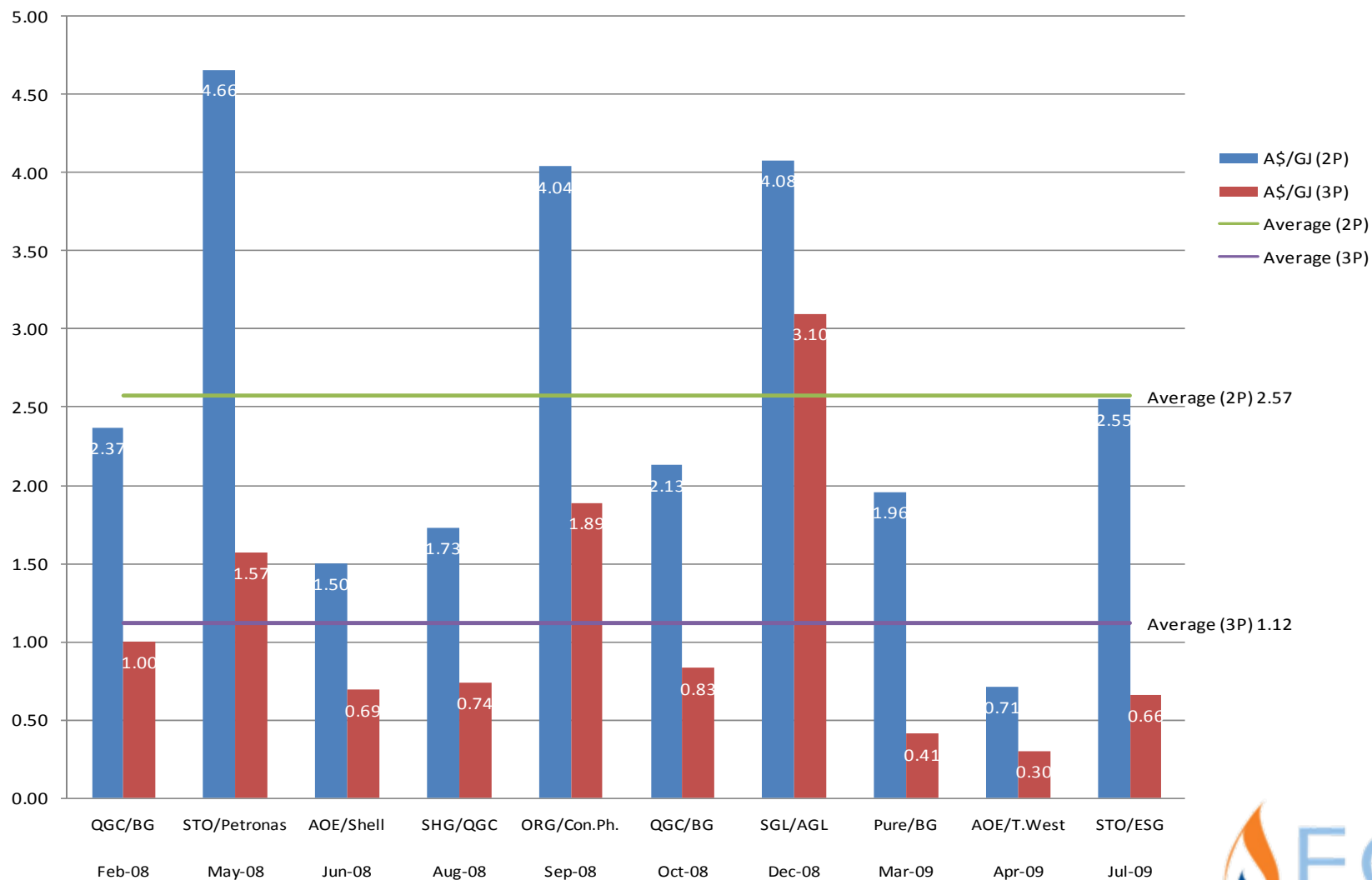
- EGL holds a 2% Net Well Head Royalty over 28,701 km²
- Also holds a 3% Net Well Head Royalty over an additional 1,470 km²
- Projects are held by Buru Energy Limited
- Buru was demerged from ARC Energy

St Etienne, France

- 282 km² permitted
- Basin has produced 600 million tonnes of coal
- 80 metres cumulative coal thickness
- Long history of explosive methane encountered during mining
- Mine workings are very extensive (approximately 200 shafts)
- Optioned to Future Corp. of Australia

Valuation Measures

Recent transaction prices



Valuation Measures

Australian CBM Companies

	2P Reserves (PJ)	3P Reserves (PJ)	EV per 2P A\$/Gigajoule	EV per 3P A\$/Gigajoule	Contingent Resources (PJ)	GIIP (Tcf)
Arrow	2,581	5,412	1.01	0.48		35.6
Molopo	84	346	2.24	0.54	1,623	
Eastern Star	391	1,273	1.71	0.52	1,984	
Metgasco	264	1,419	0.31	0.06	4,732	
European Gas	140	380	0.28	0.10	14,980	

Compliance Statement

The technical information quoted in this presentation has been compiled by Mr Rod Bresnehan and geoscientists under his supervision. Mr Bresnehan is a member of the Society of Petroleum Engineers and is Chairman of the Society of Petroleum Engineers (Australia). Mr Bresnehan has consented to the inclusion in this presentation of the technical matters based on the information in the form and context in which it appears.

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