ACN 109 200 900

AUSTRALIAN SECURITIES EXCHANGE ANNOUNCEMENT

19 August 2013

Delay in Completion of Sale of UK Gas and Petroleum Assets

A delay has occurred in the satisfaction by Shale Energy plc of one of the conditions precedent under its previously announced contract with Adamo Energy Ltd in relation to the purchase from Adamo Energy Ltd of all of the issued capital in Adamo Energy (UK) Ltd, the wholly owned UK subsidiary of Eden Energy which holds all of Eden's UK gas and petroleum licence interests.

Whilst Shale Energy has indicated that it remains confident that it will be able to satisfy the outstanding condition in the near future, this contract has nevertheless, in the meantime, been formally terminated by Adamo Energy Ltd whilst Eden also undertakes negotiations with its existing UK joint venture partner in relation to an alternative agreement.

Should Shale Energy be able to satisfy the outstanding condition precedent before an alternative agreement is concluded, it remains open to Adamo Energy Ltd to reinstate the terminated agreement and complete the sale to Shale Energy on the terms previously advised.

Further information will be announced as soon as it becomes available.

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