

# **WILDHORSE ENERGY LIMITED**

**ABN 98 117 085 748**

## **PROSPECTUS**

**For the Offer of up to 100 Shares each at an issue price of \$0.34.**

**THIS PROSPECTUS IS BEING ISSUED UNDER SECTION 708A (11) OF THE CORPORATIONS ACT FOR THE PURPOSE OF FACILITATING SECONDARY TRADING OF THE PLACEMENT SHARES**

**THIS OFFER CLOSSES AT 5.00PM WST ON 24 MARCH 2010**

**VALID ACCEPTANCES MUST BE RECEIVED BEFORE THAT TIME.**

**Please read the instructions in this Prospectus and on the accompanying Application Form prior to applying for Shares under the Offer.**

**THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION. IT SHOULD BE READ IN ITS ENTIRETY.**

**IF YOU ARE IN DOUBT ABOUT WHAT TO DO, YOU SHOULD CONSULT YOUR PROFESSIONAL ADVISER WITHOUT DELAY.**

**THE SHARES OFFERED IN CONNECTION WITH THIS PROSPECTUS ARE OF A SPECULATIVE NATURE.**

## IMPORTANT INFORMATION

This Prospectus is dated 10 March 2010 and was lodged with the ASIC on that date with the consent of all Directors. Neither ASIC nor ASX nor their respective officers take any responsibility for the contents of this Prospectus.

No Shares will be issued on the basis of this Prospectus any later than 13 months after the date of this Prospectus (being the expiry date of this Prospectus).

A copy of this Prospectus is available for inspection at the registered office of the Company at Level 21, Allendale Square, 77 St Georges Terrace, Perth, Western Australia, during normal business hours. The Company will also provide copies of other documents on request (see Section 4.4).

The Shares offered by this Prospectus should be considered speculative. Please refer to Section 3 for details relating to investment risks.

Revenues and expenditures disclosed in this Prospectus are recognised exclusive of the amount of goods and services tax, unless otherwise disclosed.

The Prospectus will be made available in electronic form. Persons having received a copy of this Prospectus in its electronic form may obtain an additional paper copy of this Prospectus (free of charge) from the Company's principal place of business by contacting the Company. The Offer contemplated by this Prospectus is only available in electronic form to persons receiving an electronic version of this Prospectus within Australia.

Applications for Shares will only be accepted on an Application Form which is attached to, or provided by the Company with a copy of this Prospectus either in paper or electronic form. The Corporations Act prohibits any person from passing on to another person an Application Form unless it is accompanied by a complete and unaltered copy of this Prospectus.

No person is authorised to give any information or to make any representation in connection with the Offer which is not contained in this Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with the Offer.

No action has been taken to permit the offer of Shares under this Prospectus in any jurisdiction other than Australia.

The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of those laws. This Prospectus does not constitute an offer of Shares in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus.

This document is important and should be read in its entirety before deciding to participate in the Offer. This does not take into account the investment objectives, financial or taxation or particular needs of any Applicant. Before making any investment in the Company, each Applicant should consider whether such an investment is appropriate to his/her particular needs, and considering their individual risk profile for speculative investments, investment objectives and individual financial circumstances. Each Applicant should consult his/her stockbroker, solicitor, accountant or other professional adviser without delay. Some of the risk factors that should be considered by potential investors are outlined in Section 3.

By returning an Application Form, you acknowledge that you have received and read this Prospectus and you have acted in accordance with the terms of the Offer detailed in this Prospectus.

Definitions of certain terms used in this Prospectus are contained in Section 6. All references to currency are to Australian dollars and all references to time are to WST, unless otherwise indicated.

A copy of this Prospectus can be downloaded from the website of the Company at [www.wildhorse.com.au](http://www.wildhorse.com.au). Any person accessing the electronic version of this Prospectus for the purpose of making an investment in the Company must be an Australian resident and must only access this Prospectus from within Australia.

# CORPORATE DIRECTORY

## Current Directors

Mark Hohnen	Chairman
Matthew Swinney	Managing Director
Ian Middlemas	Director
Brett Mitchell	Director
Richard Pearce	Director

## Company Secretary

Brett Mitchell

## Registered Office

Level 21, Allendale Square,  
77 St Georges Terrace  
Perth 6000  
Western Australia

## Lawyers

Hardy Bowen  
28 Ord Street  
West Perth 6005  
Western Australia

## Share Registry

Computershare Investor Services Pty Limited  
Level 2, Reserve Bank Building,  
45 St Georges Terrace  
Perth 6000  
Western Australia

**ASX Code:** WHE

**Website:** [www.wildhorse.com.au](http://www.wildhorse.com.au)

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## 1. Details of the Offer

### 1.1 The Offer

The Company is offering 100 Shares each at an issue price of \$0.34 (**Offer**).

Further details on the rights and liabilities attaching to the Shares are in Section 4.1.

### 1.2 Purpose of the Offer

The Company recently announced that it would make a placement of 64,131,934 Shares each at \$0.34 (**Placement Shares**) to raise up to \$21,804,858 (before costs) (**Placement**). The Placement Shares were offered to Institutional and Sophisticated Private Investors by a syndicate of brokers in Australia and the United Kingdom.

This Prospectus has been issued to facilitate secondary trading of the Placement Shares, as the Placement Shares will be issued without disclosure to investors under Part 6D.2 of the Corporations Act. A prospectus is required under the Corporations Act to enable persons who are issued Placement Shares to on-sell those shares within 12 months of their issue. The Company will not issue the Placement Shares with the purpose of the persons to whom they were issued selling or transferring their Shares, or granting, issuing or transferring interests in those Shares within 12 months of the issue but this Prospectus provides them the ability to do so should they wish.

Accordingly, the purpose of this Prospectus is to:

- (a) make the Offer; and
- (b) ensure that the on-sale of the Placement Shares does not breach Section 707(3) of the Corporations Act by relying on the exemption to the secondary trading provisions in Section 708A(11) of the Corporations Act.

### 1.3 Opening and Closing Dates

The Company will accept Application Forms until 5.00pm WST on 24 March 2010 or such other date as the Directors in their absolute discretion shall determine, subject to the requirements of the Listing Rules (**Closing Date**).

### 1.4 Risks of the Offer

An investment in Securities should be regarded as speculative. In addition to the general risks applicable to all investments in listed securities, there are specific risks associated with an investment in the Company which are in Section 3.

### 1.5 No minimum subscription

There is no minimum amount sought to be raised by the Offer. If the Offer is fully subscribed, the Offer will raise approximately \$34.00 (before costs of the Offer). The Company will proceed to allot the Shares if a lesser amount is raised and irrespective of the amount raised. The Company intends to allot the Shares progressively as Applications are received and in any event, will allot all Shares as soon as possible after the Closing Date.

There is no provision for oversubscriptions.

## **1.6 Application Forms**

If you wish to subscribe for Shares, you should complete and return the Application Form, which will be provided with a copy of this Prospectus by the Company at the Company's discretion, in accordance with the instructions in the Application Form. Completed Application Forms and Application Monies must be received by the Company prior to 5.00pm WST on the Closing Date. Cheques must be made payable to "Wildhorse Energy Limited - Subscription Account" and crossed "Not Negotiable". All cheques must be in Australian currency. Application Forms should be delivered to Wildhorse Energy Limited, Level 21, Allendale Square, 77 St Georges Terrace, Perth WA 6000 or mailed to PO BOX Z5184, St Georges Terrace, Perth WA 6831.

If you are in doubt as to the course of action, you should consult your professional advisor.

Acceptance of a completed Application Form by the Company creates a legally binding contract between the Applicant and the Company for the number of Shares accepted by the Company. The Application Form does not need to be signed to be a binding Acceptance of Shares.

If the Application Form is not completed correctly it may still be treated as valid. The Directors' decision as to whether to treat the Acceptance as valid and how to construe, amend or complete the Application Form is final.

## **1.7 Issue date and dispatch**

The Company intends to issue the Shares progressively as Applications are received (**Issue Date**).

Security holder statements will be dispatched, as soon as possible after the issue of the Shares.

It is the responsibility of Applicants to determine their allocation prior to trading in the Shares. Applicants who sell Shares before they receive their holding statements do so at their own risk.

## **1.8 Application Monies held on trust**

All Application Monies received for the Shares will be held on trust in a bank account maintained solely for the purpose of depositing Application Monies received pursuant to this Prospectus until the Shares are issued. All Application Monies will be returned (without interest) if the Shares are not issued.

## **1.9 ASX quotation**

Application will be made to ASX no later than 7 days after the date of this Prospectus for official quotation of the Shares. If permission is not granted by ASX for the official quotation of the Shares offered by this Prospectus within 3 months after the date of this Prospectus (or such period as the ASX allows), the Company will repay, as soon as practicable, without interest, all Application Monies received pursuant to this Prospectus.

## **1.10 CHES**

The Company participates in the Clearing House Electronic Subregister System, known as CHES. ASTC, a wholly owned subsidiary of ASX, operates CHES in accordance with the Listing Rules and the Securities Clearing House Business Rules.

Under CHES, Applicants will not receive a certificate but will receive a statement of their holding of Shares.

If you are broker sponsored, ASTC will send you a CHESSE statement.

The CHESSE statement will set out the number of Shares issued under this Prospectus, provide details of your holder identification number, the participant identification number of the sponsor and the terms and conditions applicable to the Shares.

If you are registered on the Issuer Sponsored subregister, your statement will be dispatched by Computershare Investor Services Pty Limited and will contain the number of Shares issued to you under this Prospectus and your security holder reference number.

A CHESSE statement or Issuer Sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their shareholding changes. Shareholders may request a statement at any other time; however, a charge may be made for additional statements.

### **1.11 Residents Outside Australia**

This Prospectus, and an accompanying Application Form, do not, and is not intended to, constitute an offer of Shares in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus or the Shares. The distribution of this Prospectus in jurisdictions outside Australia may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

### **1.12 Taxation implications**

The Directors do not consider it appropriate to give Applicants advice regarding the taxation consequences of subscribing for Shares under this Prospectus.

The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Applicants. As a result, Applicants should consult their professional tax adviser in connection with subscribing for Shares under this Prospectus.

### **1.13 Major activities and financial information**

A summary of the major activities and financial information relating to the Company for the financial year ended 30 June 2009 is in the Annual Report which is available on the Company's website at [www.wildhorse.com.au](http://www.wildhorse.com.au).

A summary of activities relating to the Company for the quarter ended December 2009 is in the quarterly activities reports, lodged with ASX on 29 January 2010. The Company's continuous disclosure notices (i.e. ASX announcements) since 30 September 2009 are listed in Section 4.4.

Copies of these documents are available free of charge from the Company. Directors strongly recommend that Applicants review these and all other announcements prior to deciding whether or not to participate in the Offer.

### **1.14 Privacy**

The Company collects information about each Applicant provided on an Application Form for the purposes of processing the Acceptance and, if the Acceptance is successful, to administer the Applicant's security holding in the Company.

By submitting an Application Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Application Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the share registry, the Company's related bodies corporate, agents, contractors and third party

service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

If you do not provide the information required on the Application Form, the Company may not be able to accept or process your Acceptance.

An Applicant has an entitlement to gain access to the information that the Company holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

### **1.15 Enquiries concerning Prospectus**

Enquiries relating to this Prospectus should be directed to the Company Secretary by telephone on 08 9389 2000.

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## 2. Effect of the Offer

### 2.1 Capital structure on completion of the Offer and Placement

	Number of Shares	Number of Options
Balance at the date of this Prospectus	160,879,557	31,528,295
To be issued under the Offer	100	-
To be issued pursuant to the Placement	64,131,934	
<b>Balance after the Offer and issue of the Placement Shares</b>	<b>225,011,591</b>	<b>31,528,295</b>

After the date of this Prospectus, the Company proposes to issue the following Securities subject to share holder approval:

- (i) 621,887 Shares to Azure Capital Investments Pty Ltd, following settlement of the Peck Coal Ltd acquisition.
- (ii) 3,206,597 Broker Options to be issued to the Brokers to the Placement.
- (iii) As announced on 18 January 2010, upon settlement of the acquisition of specialist underground coal gasification technology intellectual property from African Carbon Energy (Proprietary) Limited, the Company shall issue \$500,000 worth of Shares to African Carbon Energy (Proprietary) Limited.
- (iv) 2,000,000 Options to African Carbon Energy (Proprietary) Limited each with an exercise price equal to the average weighted market price of Shares for the five day period preceding the grant of the Options and an expiry date four years from the date of grant of the Options. These Options will only be issued upon the relevant agreement becoming unconditional.
- (v) Up to 8,000,000 Options to Johan Brand with various exercise prices and expiry dates based on the length of time that Johan Brand has been employed by the Company. These Options will only be issued upon the relevant agreement becoming unconditional.
- (vi) Up to 1,000,000 Options to Peter van Vuuren with various exercise prices and expiry dates based on the length of time that Peter van Vuuren has been employed by the Company. These Options will only be issued upon the relevant agreement becoming unconditional.
- (vii) Shares or rights of Shares under the Company's employee share incentive scheme.

## 2.2 Pro forma statement of financial position

		Wildhorse Energy Ltd Audited	Peak Coal Ltd Un- audited	Pro-forma Adjustments	Pro-forma Balance Sheet
	Notes	30-Jun-09 S	30-Jun-09 \$	30-Jun-09 \$	30-Jun-09 \$
<b>CURRENT ASSETS</b>					
Cash at bank		4,430,578	1,091,621	-	5,522,199
Trade and other receivables		344,947	193,430	-	538,377
Assets held for sale		397,367	-	-	397,367
<b>TOTAL CURRENT ASSETS</b>		<b>5,172,892</b>	<b>1,285,051</b>	<b>-</b>	<b>6,457,943</b>
<b>NON CURRENT ASSETS</b>					
Bank Guarantee	1	-	1,286,916	-	1,286,916
Property, plant and equipment		290,449	13,242	-	303,691
Deferred exploration expenditure	2	13,520,963	7,869,266	6,476,102	27,866,331
<b>TOTAL NON CURRENT ASSETS</b>		<b>13,811,412</b>	<b>9,169,424</b>	<b>6,476,102</b>	<b>29,456,938</b>
<b>TOTAL ASSETS</b>		<b>18,984,304</b>	<b>10,454,475</b>	<b>6,476,102</b>	<b>35,914,88</b>
<b>CURRENT LIABILITIES</b>					
Trade and other payables		193,927	745,368	-	939,295
Other liabilities		13,545	31,665	-	45,210
<b>TOTAL CURRENT LIABILITIES</b>		<b>207,472</b>	<b>777,033</b>	<b>-</b>	<b>984,505</b>
<b>TOTAL LIABILITIES</b>		<b>207,472</b>	<b>777,033</b>	<b>-</b>	<b>984,505</b>
<b>NET ASSETS</b>		<b>18,776,832</b>	<b>9,677,442</b>	<b>6,476,102</b>	<b>34,930,376</b>
<b>EQUITY</b>					
Contributed Capital	3	38,112,258	10,263,260	5,890,284	54,265,802
Reserves		6,146,050	(1,841)	1,841	6,146,050
Accumulated losses		(25,481,476)	(583,977)	583,977	(25,481,476)
Parent interest		18,776,832	9,677,442	6,476,102	34,930,376
<b>TOTAL EQUITY</b>		<b>18,776,832</b>	<b>9,677,442</b>	<b>6,476,102</b>	<b>34,930,376</b>

#### 1. Bank Guarantee

The bank guarantee relates to funds held in an interest bearing term deposit as a condition of the issued of the CBM permits.

#### 2. Deferred exploration expenditure

Peak Coal Limited	7,869,266
Wildhorse Energy Limited	13,520,963
Fair valuation on acquisition	6,476,102
	<hr/>
	27,866,331
	<hr/>

#### 3. Issued Capital

	<b>Number of shares</b>	<b>Value (\$)</b>
Wildhorse Energy Ltd – 30 June 2009	124,166,957	38,112,258
1:3 share issue to Peak Coal shareholders	36,712,600	16,153,544
<b>Balance at post merger</b>	<hr/>	<hr/>
	160,879,557	54,265,802

### **Pro-forma Balance sheet**

The pro forma balance sheet reflects a principal adjustment and assumptions in respect of the Company acquiring Peak Coal via the Schemes.

#### **Basis of Preparation**

The above pro forma statement of financial position has been prepared in accordance with the draft ASIC Guide to Disclosing Pro Forma Financial Information (issued July 2005).

The pro forma balance sheets have been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

The pro forma statement of financial position is based on the audited financial position as at 30 June 2009 and has then been adjusted to reflect the following material transactions:

### **2.3 Market price of Shares**

The highest and lowest market sale prices of the Shares on ASX during the 3 months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

Highest: \$0.475 per Share on 14 January 2010

Lowest: \$0.30 per Share on 24 December 2009

The latest available market sale price of the Shares on ASX prior to the date of lodgement of this Prospectus with the ASIC was \$0.38 per Share on 26 February 2010.

### **2.4 Dividend Policy**

The Directors are not able to say when and if dividends will be paid in the future, as the payment of any dividends will depend on the future profitability, financial position and cash requirements of the Company.

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### **3. Risk factors**

Activities in the Company and its controlled entities, as in any business, are subject to risks, which may impact on the Company's future performance. The Company and its controlled entities have implemented appropriate strategies, actions, systems and safeguards for known risks, however, some are outside its control.

The Directors consider that the following summary, which is not exhaustive, represents some of the major risk factors which prospective investors need to be aware of in evaluating the Company's business and risks of increasing your investment in the Company. Prospective investors should carefully consider the following factors in addition to the other information presented in this Prospectus.

The principal risks include, but are not limited to, the following:

#### **3.1 Production and Exploration Risks**

The business of resource exploration, project development and production involves risks by its very nature. To prosper, it depends on the successful exploration, appraisal and development of economic mineral reserves. Operations such as design and construction of efficient recovery and processing facilities, competent operational and managerial performance and efficient distribution and marketing services are required to be successful. In particular, exploration is a speculative endeavour whilst production operations can be hampered by force majeure circumstances, engineering difficulties, cost overruns, inconsistent recovery rates and other unforeseen events.

Coal and uranium production may be curtailed or shut down for considerable periods of time due to any of the following factors:

- (a) disruptions to the transport chain being road, rail, port infrastructure and ocean freight;
- (b) a lack of market demand;
- (c) government regulation;
- (d) production allocations; or
- (e) force majeure.

These curtailments may continue for a considerable period of time resulting in a material adverse effect on the results of operations and financial condition of the Company.

The exploration for and production of coal involves certain operating hazards, such as:

- (f) failure and/or breakdown of equipment;
- (g) adverse geological, seismic and geotechnical conditions;
- (h) industrial accidents;
- (i) labour disputes; and
- (j) other environmental hazards and risks.

Any of these hazards could cause the Company to suffer substantial losses if they occur. As a result, substantial liabilities to third parties or governmental entities may be incurred,

the payment of which could reduce or eliminate funds available for acquisitions, exploration and development and result in financial losses.

Exploration involves numerous risks, including the risk that there will not be a discovery of commercially productive resource reserves. The cost of exploration is often uncertain, and a number of factors can delay or prevent drilling operations, including:

- (k) unexpected drilling conditions;
- (l) inability to access drilling equipment;
- (m) equipment failures or accidents;
- (n) adverse weather conditions;
- (o) compliance with governmental requirements;
- (p) inability to acquire sufficient and appropriate insurance;
- (q) shortages or delays in the availability of drilling rigs and the delivery of equipment; and
- (r) availability of specialised personnel.

### **3.2 Operational and Technical Risk**

The successful implementation of the Company's coal business and objectives could be adversely affected by the following factors:

- (a) insufficient coal reserves;
- (b) inappropriate coal seam structures;
- (c) inconsistent gas quality or inadequate gasification characteristics;
- (d) variable gas quantity;
- (e) interruption in gas supply due to underground processing problems;
- (f) location of water aquifers or other sensitive environmental structures;
- (g) subsidence of surrounding grounds;
- (h) breach of a supply contract due to inconsistent product production; or
- (i) inadequate ability to deal with carbon dioxide or other emissions.

If any of these issues were to arise this could have a detrimental effect on the Company's operations.

In addition, there is a risk that the syngas produced by UCG may not be able to be successfully used by customers. If this occurs, the Company may require additional capital to purchase further plant and equipment to clean up the syngas in order to allow it to be used by customers. There is no guarantee that such additional expenditure will achieve the intended result.

UCG industry operating risks include fire, explosions and breakdowns of plant machinery and equipment. The occurrence of any of these risks could result in legal proceedings being instituted against the Company and substantial losses due to injury or loss of life, damage to or destruction of property, natural resources, regulatory investigation and

penalties or suspension of operations. In addition, damage occurring to third parties may give rise to claims by third parties.

### **3.3 Political Risk – Hungary**

Hungary is a parliamentary democracy. Having embraced gradual reforms during the 1980's, the country embarked on a path towards democracy and market liberalisation during the early 1990's. Hungary applied for European Union Membership in 1995 and was accepted with the first wave of accession candidates from Central Europe in 1998, becoming a member in May 2004.

Hungary is a member of the Organisation for Economic Cooperation and Development, the World Trade Organisation, United Nations Conference on Trade and Development, and has a free trade agreement with the European Free Trade Association. Despite being a parliamentary democracy, changes may occur, such as a change in government, that may have an adverse economic effect on the Company's operations.

### **3.4 Licensing and Government Regulation**

In Hungary the export and transportation of uranium is subject to obtaining a licence issued by the Hungarian Atomic Energy Authorisation or such other designated Hungarian authority. An exception is to export to European Union countries.

These regulatory burdens increase the cost of doing business and affects profitability in the event of production. There is a risk that new rules and regulations will be enacted or existing rules and regulations are applied in a manner which could limit or curtail future production or development.

### **3.5 Exploration Risks**

Resources exploration and development is a high-risk undertaking. There can be no assurance that the exploration and evaluation activities at the Company and its subsidiaries' properties or properties that may be acquired in the future will result in the exploration of economic reserves.

Resource exploration activity by its nature contains significant risks. Exploration may be unsuccessful, or may prove more costly or time consuming than expected. In addition, any estimation of the possible recoverable amount of energy from reserves defined by the Company may be proved incorrect by future exploration and/or production.

### **3.6 Exploration and Appraisal Expenditure**

Exploration and appraisal is a process subject to unforeseen contingencies. Exploration programs must be flexible enough to respond to results obtained. The actual scope and cost of exploration programs may differ substantially from those planned. Financial failure or default by any future alliance or joint venture partner of the Company or its subsidiaries may require the Company to face unplanned expenditure or risk forfeiting interests in relevant areas.

### **3.7 Environment Risks**

The Company's projects are subject to various government laws and regulations regarding environmental matters. As with all mineral projects, the Company's projects are expected to have a variety of environmental impacts should development proceed. Development of any of any of the Company's projects will be dependent on the Company and/or its subsidiaries (where relevant) satisfying environmental guidelines and, where required, being approved by government authorities.

The Company has indicated that intends to conduct its activities in an environmentally responsible manner and in accordance with all applicable laws, but may still be subject to accidents or other unforeseen events which may compromise its environmental performance and which may have adverse financial implications.

### **3.8 Environmental Impact Constraints**

The exploration and appraisal programs of the Company will, in general, be subject to approval by government authorities. Development of any resources will be dependent on the project meeting environmental guidelines and gaining approvals by government authorities.

### **3.9 Reserve and Resource Estimates**

Reserve and resource estimates are expressions of judgement based on knowledge, experience and industry practice. Estimates which were valid when originally calculated may alter significantly when new information or techniques become available. In addition, by their very nature, resource and reserve estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional drilling and analysis, the estimates are likely to change. This may result in alterations to exploration plans which may, in turn, adversely the Company's operations.

### **3.10 Commodity Price Risk**

If the Company achieves success leading to the delineation of an economic reserve of coal or uranium suitable for development, the revenue it will derive through the sale of energy exposes the Company's potential income to energy price variations.

Energy prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations, technological advancements, forward selling activities and other macro-economic factors.

### **3.11 Foreign Exchange Risk**

The Company's main business undertakings will be in Hungary, and as a result, revenues, cash inflows, expenses, capital expenditure and commitments will be primarily denominated in Euros and Hungarian Forints. The Company also makes payments denominated in Euro's, British Pounds, Hong Kong Dollars and US Dollars.

As a result the income, expenditure and cash flows of the Company are exposed to the fluctuations and volatility of the rate of exchange between the Euro, the Hungarian Forint, British Pounds, US Dollars and the Australian dollar, as determined in international markets.

### **3.12 Title Risk**

The exploration licences granted in Hungary in favour of WCE Hungary, an indirect subsidiary of the Company, are subject to a number of specific legislative conditions including matters such as meeting minimum work commitments. The inability to meet these conditions could affect the standing of a tenement or restrict its ability to be renewed.

All of the tenements or licences in which the Company has or may earn an interest in will be subject to applications for renewal or grant (as the case may be). The renewal or grant of the terms of each tenement or licence is usually at the discretion of the relevant government authority. If a tenement or licence is not renewed or granted, the Company may suffer significant economic loss through the loss of the opportunity to develop and discover any coal resources on that tenement or licence.

There may also be other licences required from time to time including, but not limited to drilling permissions, pipeline easements, and access to private property. The ability of the Company to acquire these rights is not guaranteed.

### **3.13 Reliance on Key Personnel**

The Company's success largely depends on the core competencies of its directors, management and core consultants and their familiarisation with, and ability to operate in, the energy industry. As such, the Company will be dependent on its ability to retain its key executives and the Company may suffer a material loss should it not retain some of its core consultants.

### **3.14 Future Capital Needs and Additional Funding**

The Company has limited working capital. The Company anticipates that it will be required to raise additional equity and/or debt capital to finance its future activities. The Company's ability to raise further capital within an acceptable time, of a sufficient amount and on terms acceptable to the Company will vary according to a number of factors, including prospectivity of projects (existing and future), the results of exploration, subsequent feasibility studies, development and mining, stock market and industry conditions and the price of relevant commodities and exchange rates.

No assurance can be given that future funding will be available to the Company on favourable terms (or at all). If adequate funds are not available on acceptable terms the Company may not be able to further develop its projects and it may impact on the Company's ability to continue as a going concern.

### **3.15 Retention of key business relationships**

The Company relies on strategic relationships with other entities and also on good relationships with regulatory and government departments. It also relies upon third parties to provide essential contracting services.

While the Directors have no reason to believe otherwise, there can be no assurance that the Company's existing relationships will continue to be maintained or that new ones will be successfully formed. The Company, its business, operating results and prospects could be adversely affected by changes to such relationships or difficulties in forming new ones.

### **3.16 Technology and Intellectual Property Risks**

Any development by the Company will likely involve the use of the intellectual property and technology of third party technology providers. There is no guarantee that the Company will be able to source such technology and intellectual property on favourable terms or at all.

To date, there has been limited commercial scale UCG development around the world and there is also a risk that the Company may not be able to utilise existing technology for the production of fuels using UCG syngas and the Company may need to enter into agreements with technology providers in order to obtain appropriate technology.

In addition, the ability of technology providers and intellectual property owners to protect their intellectual property rights involves complex legal, scientific and factual questions and uncertainties. Intellectual property rights owned by those entities may be challenged by their competitors or other third parties. The success of an action may delay or prevent the Company from undertaking its business plan.

### **3.17 Product Marketing and Prices**

The marketability of the potential outputs of UCG production (including Syngas, electricity, pipeline quality gas, Liquids (gasoline or diesel)) depends upon the requirement and demand from the domestic and international marketplace.

Customers may default on their contractual obligations with the Company and/or its subsidiaries. Potential contractual defaults may include non payment for products or failure to take delivery of contracted volumes. Should such a default occur, it may be difficult or impossible to find other customers.

Future revenues, operating results, profitability, future rate of growth and the carrying value of the properties of the Company depend heavily on prevailing market prices for any products produced. Any substantial or extended decline in the price of these products would have a material adverse effect on the financial condition and results of operations. Various factors beyond the control of the Company will affect these prices, including:

- (a) exchange rates – as the products will typically be sold in Euro's, Hungarian Florints or US dollars and a strengthening of the Australian dollar relative to these currencies will adversely impact upon Australian dollar returns;
- (b) domestic alternative supplies of these products;
- (c) economic conditions;
- (d) marketability and quality of production;
- (e) consumer demand;
- (f) price trends for the product types;
- (g) the price, availability and acceptance of alternative fuels/energy products;
- (h) weather conditions; and
- (i) actions of federal, state, local and foreign authorities.

Hedging transactions may limit potential gains. To manage the exposure of the Company to price risks in the marketing of its products, it may enter into commodity price and/or foreign currency hedging arrangements with respect to its production. While intended to reduce the effects of volatile commodity prices, these arrangements may limit potential gains if commodity prices were to rise substantially over the price established by the hedge. In addition, such transactions may expose the Company to the risk of financial loss.

### **3.18 Regulation of Activities**

The Company through its subsidiaries is required to obtain numerous government permits, approvals, licences and leases in respect of its mining operations. There is a risk that a company does not have, might not obtain, or might lose permits, approvals, licences or leases that are essential to the operation of its business. Compliance with these regulatory regimes requires ongoing monitoring and may be costly and time consuming and may delay commencement or continuation of exploration or production operations.

It is possible that new legislation or regulations may be introduced in Hungary or elsewhere which may have a material adverse affect on the operations of the Company.

### **3.19 Insurance Risks**

No assurance can be given that insurance coverage maintained by the Company will be sufficient to indemnify itself from replacement costs, lost production, lost revenues, or increased expenses or liabilities to third parties, in the event of a claim or loss. Furthermore, there is no guarantee that sufficient or appropriate insurance can be obtained for all or any of the Company's activities.

### **3.20 Licensing and Government Regulation**

In Hungary the export and transportation of uranium is subject to obtaining a licence granted by the Hungarian Atomic Energy Authorisation or such other designated Hungarian authority. An exception is to export to European Union countries.

These regulatory burdens increase the cost of doing business and affects profitability in the event of production. There is a risk that new rules and regulations will be enacted or existing rules and regulations are applied in a manner which could limit or curtail future production or development.

### **3.21 Potential Acquisitions**

As part of its business strategy, the Company may make acquisitions of or significant investments in other resource projects. Any such transactions would be accompanied by risks commonly encountered in making such acquisitions.

### **3.22 International Operations**

International sales and operations are subject to a number of risks, including:

- (a) potential difficulties in enforcing agreements and collecting receivables through foreign local systems;
- (b) potential difficulties in protecting intellectual property;
- (c) increases in costs for transportation and shipping; and
- (d) restrictive governmental actions, such as imposition of trade quotas, tariffs and other taxes.

Any of these factors could materially and adversely affect the Company's business, results of operations and financial condition.

### **3.23 General Economic Risks**

Changes in both Australian and world economic conditions may adversely affect the financial performance of the Company. Factors such as inflation, currency fluctuations, interest rates, industrial disruption and economic growth may impact on future operations and earnings.

### **3.24 Legislative Changes**

Changes in relevant taxes, legal and administration regimes, accounting practices and government policies in Australia and Hungary may adversely affect the financial performance of the Company.

### **3.25 Investment speculative**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically

referred to above, may, in the future materially affect the financial performance of the Company and the value of the Shares to be offered under this Prospectus. Therefore, the Shares offered pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares. Potential investors should consider that the investment in the Company is speculative and should consult their professional adviser before deciding whether to apply for Shares pursuant to this Prospectus.

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## 4. Additional information

### 4.1 Rights attaching to Shares

The rights attaching to the Shares are set out in the Constitution, and, in certain circumstances, are regulated by the Corporations Act, the Listing Rules and general law. A full copy of the Constitution is available from the Company on request free of charge.

The following is a summary of the principal rights of the holders of Shares. This summary is not exhaustive nor does it constitute a definitive statement of the rights and liabilities of the Company's members.

(a) Voting

At a general meeting, on a show of hands every member present in person has one vote. At the taking of a poll, every member present in person or by proxy and whose shares are fully paid has one vote for each of his or her shares. On a poll, the holder of a partly paid share has a fraction of a vote with respect to the share. The fraction is equivalent to the proportion which the amount paid or credited bears to the total amount paid and payable (including amounts credited).

(b) General meetings

Each member is entitled to receive notice of, attend and vote at general meetings of the Company and to receive all notices, reports and financial reports and other documents required to be sent to members under the Constitution, the Corporations Act and the Listing Rules.

(c) Dividends

Subject to the Corporations Act, the Listing Rules and any rights or restrictions attached to a class of shares, the Company may pay dividends as the Directors resolve but only out of profits of the Company. The Directors may fix the time for determining entitlements to the dividend and the methods of distribution. Subject to the terms of issue of shares, the Company may pay a dividend on one class of shares to the exclusion of another class and at different rates for different classes of shares.

Each share carries the right to participate in the dividend in the same proportion that the amount for the time being paid on the share (excluding any amount paid in advance of calls) bears to the total issue price of the share.

(d) Transfer of shares

Subject to this Constitution, a member may transfer one or more shares the Member holds by:

- (i) a proper ASTC transfer;
- (ii) any other method of transferring or dealing introduced by ASX; or
- (iii) any other method recognised under the Corporations Act, operated in accordance with the Listing Rules or the ASTC Settlement Rules.

The Company may refuse to register a transfer of shares where permitted or required to by the Corporations Act, by the Listing Rules or by the ASTC Settlement Rules or where the transfer is, or might be, a transfer of restricted securities (as defined in the Listing Rules) in breach of the Listing Rules or any

escrow agreement entered into by the company in respect of the restricted securities. If the Directors refuse to register a transfer, the Company must give notice in writing to the transferee and the lodging broker (if any) of the refusal and the reason for refusal.

(e) Variation of rights

Unless otherwise provided by the Corporations Act, the Listing Rules or the ASTC Settlement Rules or by the terms of issue of a class of shares, the rights attached to the shares in any class may be varied or cancelled only with the written consent of the holders of at least three-quarters of the issued shares of the affected class, or by special resolution passed at a separate meeting of the holders of the issued shares of the affected class.

(f) Directors

The minimum number of Directors is three and the maximum is ten. Currently, there are three Directors. Directors must retire on a rotational basis so that one-third of Directors must retire at each annual general meeting. A managing director shall not retire for rotation but shall be included for the purposes of determining the number of Directors to retire by rotation. A retiring Director is eligible for re-election. The Directors may appoint a Director in addition to existing Directors and such Director shall not be included for the purposes of determining the number of Directors to retire by rotation.

(g) Decisions of Directors

Matters arising at a meeting of Directors are decided by a majority of votes. In the case of an equality of votes on a resolution, the chairman has a casting vote.

(h) Issue of further shares

The Directors may, on behalf of the Company, allot and issue, and issue Shares over unissued shares on the terms, at the times and for any consideration that the Directors resolve. However, the Directors must act in accordance with the restrictions imposed by the Corporations Act, the Listing Rules, the ASTC Settlement Rules and any rights attached to a class of shares.

(i) Officers' indemnity

To the extent permitted by law, the Company must indemnify each officer of the Company against all liabilities incurred by the person as an officer of the Company, including costs and expenses incurred in defending an action for liability incurred by that person.

## 4.2 Directors' interests in Company Securities and Contracts

The current Directors (or their nominees) currently each hold Securities as follows:

Director	No. of Shares	No. of Options
Ian Middlemas	5,100,000	Nil
Brett Mitchell	Nil	2,000,000
Richard Pearce	4,233,000	Nil
Mark Hohnen	666,667	6,000,000

Matthew Swinney	66,667	7,000,000
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In addition, as detailed in their respective Director Interests Appendix 3X states:

- 1) Mark Hohnen has a call option to acquire 666,667 Shares from Mr Liam Flockton exercisable on or before 11 December 2012 at an exercise price of \$0.30 per Share.
- 2) Matthew Swinney has call options to acquire:
  - (a) 666,667 Shares from Mr Kieran Flockton exercisable on or before 11 December 2012 at an exercise price of \$0.30 per Share; and
  - (b) 833,333 Shares from Mr Liam Flockton exercisable on or before 11 December 2012 at an exercise price of \$0.30 per Share.

#### 4.3 Company is a disclosing entity

The Company is a disclosing entity under the Corporations Act. It is subject to regular reporting and disclosure obligations under both the Corporations Act and the Listing Rules. These obligations require the Company to notify ASX of information about specific events and matters as they arise for the purpose of ASX making the information available to the stock market conducted by ASX. In particular, the Company has an obligation under the Listing Rules (subject to certain limited exceptions), to notify ASX once it is, or becomes aware of information concerning the Company which a reasonable person would expect to have a material effect on the price or value of the Securities.

The Company is also required to prepare and lodge with ASIC yearly and half-yearly financial statements accompanied by a Directors' statement and report, and an audit review or report.

Copies of documents lodged with the ASIC in relation to the Company may be obtained from, or inspected at, an ASIC office (see Section 4.4 below).

#### 4.4 Copies of documents

Copies of documents lodged by the Company in connection with its reporting and disclosure obligations may be obtained from, or inspected at, an office of ASIC. The Company will provide free of charge to any person who requests it during the period of the Offer, a copy of:

- (a) the Annual Report of the Company for the year ended 30 June 2009, being the last financial year for which an annual financial report was lodged with the ASIC in relation to the Company before the issue of this Prospectus;
- (b) the following continuous disclosure notices given by the Company to notify ASX of information relating to the Company since the Company lodged its Annual Report for the year ended 30 June 2009 and before the date of issue of this Prospectus are as follows:

<b>Date Lodged</b>	<b>Subject of Announcement</b>
10/03/2010	Reinstatement to Official Quotation
10/03/2010	Institutional and Private Placement to Raise \$21.8 million
04/03/2010	Appendix 3Y - Change of Directors Interest Notice x 3
03/03/2010	Request for Suspension
03/03/2010	Suspension from Official Quotation
03/03/2010	Appendix 3B - Issue of Unlisted Options
01/03/2010	Trading Halt

<b>Date Lodged</b>	<b>Subject of Announcement</b>
24/02/2010	Change in substantial holding from Argonaut
24/02/2010	Appendix 3B - Issue of Peak Scheme Options
24/02/2010	Ceasing to be a substantial holder from MQG
23/02/2010	Appendix 3X - Initial Director's Interest Notice x 2
23/02/2010	Appendix 3Z - Final Director's Interest Notice
23/02/2010	Completion of Acquisition and New Board Appointments
23/02/2010	Investor Update - Major Energy Opportunity in Central Europe
18/02/2010	Prospectus for Peak Non Scheme and Director Unlisted Options
09/02/2010	Updated Timeline and Appendix 3B for Peak Coal Acquisition
05/02/2010	Updated Timeline for Acquisition of Peak Coal
05/02/2010	Update on Wildhorse Energy Acquisition of Peak Coal
03/02/2010	Investor Update Feb 2010
01/02/2010	Appendix 3B
01/02/2010	Appendix 3B
29/01/2010	Results of General Meeting
29/01/2010	December Quarterly Activity and Cashflow Report
28/01/2010	Merger Update - Wildhorse Energy and Peak Coal
21/01/2010	Appendix 3x - Initial Director's Interest Notice
21/01/2010	Appointment of Director
18/01/2010	Wildhorse Acquisition Key UCG team and Syngas IP
13/01/2010	Response to ASX Query
30/12/2009	Merger Update - Wildhorse Energy and Peak Coal
30/12/2009	Notice of General Meeting/Proxy Form
08/12/2009	Uranium Drilling Program Commences
02/12/2009	Clarification of announcement dated 25 November
02/12/2009	Reinstatement to Official Quotation
30/11/2009	Suspension from Official Quotation
27/11/2009	Results of Annual General Meeting
26/11/2009	Trading Halt
25/11/2009	Investor Update Nov 09
25/11/2009	Substantial In-situ Energy Value for UCG Project
30/10/2009	September Quarterly Activity and Cashflow Report
28/10/2009	Annual Report 2009
20/10/2009	Amended - Notice of Annual General Meeting/Proxy Form
20/10/2009	Notice of Annual General Meeting/Proxy Form
13/10/2009	New Agreement for Development of Pecs Uranium Project
02/10/2009	Appendix 3B - Conversion of Shares
30/09/2009	Financial Report for the year ended 30 June 2009

The following documents are available for inspection throughout the period of the Offer during normal business hours at the registered office of the Company at Level 21, Allendale Square, 77 St Georges Terrace, Perth, Western Australia:

- (a) this Prospectus;
- (b) the Constitution; and
- (c) the consents referred to in Section 4.11 and the consents provided by the Directors to the issue of this Prospectus.

#### **4.5 Information excluded from continuous disclosure notices**

There is no information which has been excluded from a continuous disclosure notice in accordance with the Listing Rules, and which is required to be set out in this Prospectus.

#### 4.6 Determination by the ASIC

The ASIC has not made a determination which would prevent the Company from relying on section 708A of the Corporations Act in issuing the Shares under this Prospectus.

#### 4.7 Directors' interests

Except as disclosed in this Prospectus, no Director, and no firm in which a Director is a partner:

- (a) has any interest nor has had any interest in the last two years prior to the date of this Prospectus in the formation or promotion of the Company, the Shares offered under this Prospectus or property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Offer; or
- (b) has been paid or given or will be paid or given any amount or benefit to induce him or her to become, or to qualify as, a Director, or otherwise for services rendered by him or her in connection with the formation or promotion of the Company or the Offer.

#### 4.8 Directors remuneration

Shareholders have approved an aggregate amount of up to \$200,000 to be paid as Directors' fees.

One of the New Directors, Matthew Swinney, has been paid \$10,000 a month since July 2009 as a consultant to the Company. The other New Directors, Mark Hohnen and Ian Middlemas, have not been paid anything by the Company.

The current and former Directors received the following remuneration for the year ended 30 June 2009:

Director	Short term benefits		Post employment	Share based payment	Total \$
	Salary and fees \$	Other \$	Superannuation \$	Shares \$	
Mr Craig Burton	25,450	-	1,800	7,149	34,399
Mr Brett Mitchell	40,000	-	-	-	40,000
Mr Richard Pearce	185,385	13,852	16,685	21,446	237,368

#### 4.9 Interests of other persons

Except as disclosed in this Prospectus, no expert, promoter or other person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus has, and has not had in the 2 years before the date of this Prospectus, any interests in:

- (a) the formation or promotion of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid (in cash or Securities or otherwise) and no other benefit has been given or agreed to be given to any of those persons for services provided by those persons in connection with the formation or promotion of the Company or the Offer.

Hardy Bowen will be paid approximately \$5,000 (plus GST) in fees for legal services as at the date of this Prospectus in connection with the Offer. In addition, Hardy Bowen has

been paid or is entitled to be paid approximately \$62,849.70 for legal services provided to the Company in the period of 2 years prior to the date of this Prospectus.

#### **4.10 Expenses of Offer**

The estimated expenses of the Offer are as follows:

	<b>\$</b>
ASIC Lodgement fee	2,010
Legal and preparation expenses	5,000
Printing, mailing and other expenses	<u>500</u>
<b>Total</b>	<u>7,510</u>

#### **4.11 Consents**

The following consents have been given in accordance with the Corporations Act and have not been withdrawn as at the date of lodgement of this Prospectus with the ASIC:

- (a) Hardy Bowen have given, and have not withdrawn, their written consent to being named in this Prospectus as solicitors to the Company. Hardy Bowen have had no involvement in the preparation of any part of this Prospectus other than being named as solicitors of the Company. Hardy Bowen have not authorised or caused the issue of this Prospectus or the making of the Offer. Hardy Bowen make no representation regarding, and to the extent permitted by law excludes any responsibility for, any statements in or omissions from any part of this Prospectus.

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## 5. Directors' Statement and Consent

This Prospectus is authorised by each of the Directors of the Company.

This Prospectus is signed for and on behalf of the Company by:



Brett Mitchell  
**Executive Director and Company Secretary**

Dated: 10 March 2010

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## 6. Glossary of Terms

These definitions are provided to assist persons in understanding some of the expressions used in this Prospectus.

**\$** means Australian dollars.

**Acceptance** means a valid acceptance of Shares made pursuant to this Prospectus on an Application Form.

**Annual Report** means the financial report lodged by the Company with ASIC in respect to the year ended 30 June 2009 and includes the corporate directory, chairman's report, review of activities, Shareholder information, financial report of the Company and its controlled entities for the year ended 30 June 2009, together with a Directors' report in relation to that financial year and the auditor's report for the period to 30 June 2009.

**Applicant** means a person who submits an Application Form.

**Application** means a valid application for Shares under this Prospectus.

**Application Form** means the application form sent with this Prospectus.

**ASIC** means the Australian Securities and Investments Commission.

**ASTC** means ASX Settlement and Transfer Corporation Pty Ltd ACN 008 504 532.

**ASX** means ASX Limited ABN 98 008 624 691 and where the context permits, the Australian Securities Exchange operated by ASX Limited.

**Broker** means a broker to the Placement.

**Broker Option** means an unlisted, non-transferable Option entitling the holder to subscribe for one Share at an exercise price of \$0.34 on or before 15 March 2012.

**CHESS** means ASX Clearing House Electronic Subregistry System.

**Closing Date** has the meaning given to it in Section 1.2.

**Company** or **Wildhorse** means Wildhorse Energy Limited ABN 98 117 085 748.

**Constitution** means the constitution of the Company as at the date of this Prospectus.

**Corporations Act** means the Corporations Act (Cth) 2001.

**Directors** mean the directors of the Company at the date of this Prospectus.

**Issue Date** has the meaning given to it in Section 1.7.

**Issuer Sponsored** means securities issued by an issuer that are held in uncertificated form without the holder entering into a sponsorship agreement with a broker or without the holder being admitted as an institutional participant in CHESS.

**Listing Rules** means the Listing Rules of ASX.

**New Directors** means a Director appointed after 30 June 2009.

**Offer** has the meaning given to it in Section 1.1.

**Option** means the right to acquire one Share in the capital of the Company.

**Placement** has the meaning given to it in Section 1.2.

**Placement Shares** has the meaning given to it in Section 1.2.

**Prospectus** means this prospectus dated 10 March 2010.

**Section** means a section of this Prospectus.

**Securities** mean a Share or Option.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a holder of Shares.

**WST** means Western Standard Time, being the time in Perth, Western Australia.

# WILDHORSE ENERGY LIMITED

ABN 98 117 085 748

## APPLICATION FORM

Please read all instructions on reverse of this form and the Company's Prospectus dated 10 March 2010

Share Registrars use only
<b>Broker reference – stamp only</b>

**A** Number of Shares applied for

**B** Total amount payable  
cheque(s) to equal this amount

<input type="text"/>	at \$0.34	each =	A\$ <input type="text"/>
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Broker code	Adviser Code
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**C** Full name details title, given name(s) (no initials) and surname or company name

**D** Tax file number(s)  
Or exemption category

Name of applicant 1

Applicant 1/company

Name of joint applicant 2 or <account name>

Joint applicant 2/ trust

Name of joint applicant 3 or <account name>

Joint applicant 3/exemption

**E** Full postal address

**F** Contact details

Number/street

Contact name

Contact daytime telephone number  
( )

Suburb/town  State/postcode

Home telephone number  
( )

**G** CHESSE HIN (if applicable)

Contact email address

**H** Cheque payment details please fill out your cheque details and make your cheque payable to:  
"Wildhorse Energy Limited – Subscription Account"

Drawer	Cheque number	BSB number	Account number	Total amount of cheque
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Return of the Application Form will constitute your offer to subscribe for Shares in the Company. I/We declare that:

- (a) this Application is completed according to the declaration/appropriate statements on the reverse of this form and agree to be bound by the Constitution of the Company; and
- (b) I/we have received personally a copy of the Prospectus accompanying the Application Form, before applying for Shares.

**No signature is required.**

You should read the Prospectus dated 10 March 2010 carefully before completing this Application Form. The Corporations Act 2001 (Cth) prohibits any person from passing on this Application Form (whether in paper or electronic form) unless it is attached to or accompanies a complete and unaltered copy of the Prospectus and any relevant supplementary prospectus (whether in paper or electronic form).

**This Application Form does not require execution**

## Guide to Wildhorse Energy Limited Application Form

This Application Form relates to the Offer of up to 100 Shares in Wildhorse Energy Limited at \$0.34 per Share pursuant to the Offer under this Prospectus dated 10 March 2010. The Prospectus contains information about investing in the Shares of the Company and it is advisable to read this document before applying for Shares. A person who gives another person access to this Application Form must at the same time and by the same means give the other person access to the Prospectus, and any supplementary prospectus (if applicable). While the Prospectus is current, the Company will send paper copies of the Prospectus, and any supplementary prospectus (if applicable), and any Application Form, on request and without charge.

Please complete all relevant sections of the Application Form using BLOCK LETTERS. These instructions are cross referenced to each section of the Application Form. Further particulars and the correct forms of registrable titles to use on the Application Form are contained below.

- A** Insert the number of Shares you wish to apply for.
- B** Insert the relevant amount of Application monies. To calculate your Application monies, multiply the number of Shares applied for by the sum of \$0.34.
- C** Write the full name you wish to appear on the statement of holdings. This must be either your own name or the name of the company. Up to three joint Applicants may register. You should refer to the table below for the correct forms of registrable title. Applicants using the wrong form of title may be rejected. Clearing House Electronic Sub-Register System (CHES) participants should complete their name and address in the same format as that are presently registered in the CHES system.
- D** Enter your Tax File Number (TFN) or exemption category. Where applicable, please enter the TFN for each joint Applicant. Collection of TFN(s) is authorised by taxation laws. Official Quotation of your TFN is not compulsory and will not affect your Application.
- E** Please enter your postal address for all correspondence. All communications to you from the share registry will be mailed to the person(s) and address as shown. For Joint Applicants, only one address can be entered.
- F** Please enter your telephone number(s), area code, email address and contact name in case we need to contact you in relation to your Application.
- G** The Company will apply to ASX to participate in CHES, operated by ASX Settlement and Transfer Corporation Pty Ltd, a wholly owned subsidiary of Australian Stock Exchange Limited.  
If you are a CHES participant (or are sponsored by a CHES participant) and you wish to hold securities allotted to you under this Application in uncertificated form on the CHES subregister, complete section G or forward your Application Form to your sponsoring participant for completion of this section prior to lodgement. Otherwise, leave section G blank and on allotment, you will be sponsored by the Company and an SRN will be allocated to you.
- H** Please complete cheque details as requested:

Make your cheque payable to "**Wildhorse Energy Limited – Subscription Account**" in Australian currency and cross it "Not Negotiable". Your cheque must be drawn on an Australian Bank. The amount should correspond with the amount shown in Section B. Sufficient cleared funds should be held in your account, as cheques returned unpaid are likely to result in your Application being rejected.

Correct form of Registrable Title		
Note that only legal entities are allowed to hold shares or options. Applications must be in the name(s) of a natural person(s), companies of other legal entities acceptable to the Company. At least one full given name and the surname is required for each natural person. The name of the beneficiary or any other non-registrable title may be included by way of an account designation if completed exactly as described in the example of correct forms of registrable title below:		
Type of investor	Correct form of Registrable Title	Incorrect form of Registrable Title
<b>Individual</b> Use names in full, no initials	Mr John Alfred Smith	JA Smith
<b>Minor (a person under the age of 18)</b> Use the name of a responsible adult, do not use the name of a minor.	John Alfred Smith <Peter Smith>	Peter Smith
<b>Company</b> Use company title, not abbreviations	ABC Pty Ltd	ABC P/L ABC Co
<b>Trusts</b> Use trustee(s) personal name(s), do not use the name of the trust	Mrs Sue Smith <Sue Smith Family A/C>	Sue Smith Family Trust
<b>Deceased Estates</b> Use executor(s) personal name(s), do not use the name of the deceased	Ms Jane Smith <Est John Smith A/C>	Estate of late John Smith
<b>Partnerships</b> Use partners personal names, do not use the name of the partnership	Mr John Smith and Mr Michael Smith <John Smith and Son A/C>	John Smith and Son

### Lodgement of Application Form

Return your completed Application Form to the Company by hand or fax

#### **By Post**

Wildhorse Energy Limited  
PO BOX Z5184  
St Georges Terrace  
Perth 6831  
WA

#### **Or Delivered to**

Wildhorse Energy Limited  
Level 21, Allendale Square  
77 St Georges Terrace  
Perth 6000  
WA

**Application Forms must be received no later than 5.00 pm WST time on the Closing Date.**