

Energy Developments Limited (ASX: ENE)

Wednesday, 31 August 2011

For Immediate Release

ASX Release

ENE Completes \$101 million Acquisition of enGen

Energy Developments Limited (ASX: ENE or the "Company") is pleased to announce that it has completed the acquisition of Energy Generation Pty Ltd ("enGen") from Wesfarmers Kleenheat Gas Pty Ltd for \$101 million.

enGen owns and/or operates approximately 98 megawatts of power generation capacity at Australian mine sites and remote communities.

The acquisition is consistent with ENE's stated growth strategy and is an excellent fit with ENE's existing business, taking ENE's total Australian portfolio to 538MW. The acquisition was made on a debt free basis and the terms of sale include a customary working capital adjustment.

The acquisition represents a significant step in growing ENE's business and consolidates its position as a leading remote area energy (RAE) provider in Australia. RAE power generation is expected to be a long-term growth market driven by rapidly expanding resources activity in Australia and in Western Australia in particular.

ENE Managing Director, Greg Pritchard, said "With this acquisition, ENE becomes the largest independent remote power producer in Australia operating in the 1 to 100 MW market, with 32 projects and an installed capacity in excess of 275 MW."

"This acquisition will add to the substantial embedded value in the Company's existing RAE portfolio and signals a significant new stage of growth for the Company."

enGen was founded in 1978 as StateWest Power Pty Ltd and has been a wholly owned Wesfarmers subsidiary since 2004.

Mr Pritchard said that following an extensive review of assets, opportunities and financing over the last year, the Company now had a clear path for the organic growth and acquisition opportunities available over the coming months.

"The enGen acquisition follows the current expansion of our US Land Fill Gas power business, now underway" he said.

"With the backing of Pacific Equity Partners we have been able to re-focus on the potential of our asset portfolio, and the opportunities that presents in the increasingly attractive clean and remote area energy sector in Australia and internationally as the world moves to a low emission economy," Mr Pritchard said.

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For additional information please contact:

Greg Pritchard

Managing Director

Energy Developments

Phone: +61 7 3275 5650

About Energy Developments

ENE is an international provider of safe, clean, low greenhouse gas (GHG) emissions energy and remote area energy solutions. The Company currently owns and operates a diversified international portfolio of power stations in Australia, the United States, the United Kingdom and Greece from a range of fuel sources including landfill gas, waste coal mine gas, natural gas and liquefied natural gas.

In the year ended 30 June 2011, in its worldwide operations, the Company produced approximately 3.1 million MWh of clean energy, and abated and avoided greenhouse gases estimated at 9.7 million tonnes of carbon dioxide equivalent, akin to removing 2.7 million cars from the road.

In Australia, the Company produced approximately 2.3 million MWh of clean energy, and abated and avoided approximately 5.8 million tonnes of carbon dioxide equivalent, comparable to removing approximately 1.5 million cars from the roads.

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