



22 December 2011

ASX ANNOUNCEMENT

By Electronic Release

\$500,000 CASH INJECTION FROM DISPOSAL OF NON-CORE ASSETS

Clean Global Energy Ltd (ASX: CGV) is pleased to announce it has executed a sale agreement to dispose of its non-core UCG tenements in Queensland and Victoria for \$500,000 cash with ASF Group Ltd (ASX: AFA) following the Company's recent change in corporate strategy. The deal covers both granted tenements and applications, with the Company expecting to settle the transaction by the end of the week. Under the terms of the agreement, Clean Global Energy will transfer all rights and obligations in these tenements to the ASF Group, and will not retain any residual interest.

In addition to the sale proceeds, Clean Global Energy will be relieved of expenditure obligations on the disposed granted tenements of approximately \$450,000 per annum.

Retention of Key Tenements Prospective For Conventional Coal

In targeting conventional coal assets, Clean Global Energy is retaining three granted tenements and one application considered prospective for conventional coal mining: EPC1748 in the Surat Basin, EPC 1751 and EPC1864 in the Bowen Basin and one tenement application, EPCA 1745 in the Surat Basin. The Board is currently developing an exploration strategy for these assets, and as part of the process is reviewing farm-in proposals from third parties to develop the two Bowen Basin tenements. The Board is also working on an exploration program for EPC 1748 in anticipation of drilling, post obtaining land access agreements from key stakeholders, with EPCA 1745 expected to be integrated into this plan if successfully granted. The Board is also continuing to review and evaluate new energy assets to complement the Company's remaining portfolio.

Corporate Restructuring Advances

The Board has recently completed the corporate and administrative restructuring of the Company, following the cessation of its UCG focus and operations and the subsequent move of the head office to Perth. Operating expenditure decreased substantially following the move of the head office and the downsizing of the corporate and UCG management team, which will remain until a new lead asset is secured. Cost reduction is a core focus of the new Board to ensure the preservation of existing cash to fund future operations.

The proceeds from the sale of the non-core tenements, along with the substantial decreases in operating expenditure, ensures that CGV has sufficient funding to implement its new strategic focus and secure a new lead asset.

Alison Coutts
Managing Director

For personal use only



Schedule of Tenements Retained

Tenement	State	Basin	Status	
			Granted	Priority Application
EPC 1751	QLD	Bowen	✓	
EPC 1864	QLD	Bowen	✓	
EPC 1748	QLD	Surat	✓	
EPCA 1745	QLD	Surat		✓

For personal use only



Schedule of Tenements Sold

Tenement	State	Status		
		Granted	Priority Application	Competing Application
EPC 1506	QLD	✓		
EPC 1508	QLD	✓		
EPC 1539	QLD	✓		
EPC 2210	QLD	✓		
EL 5270	VIC	✓		
EPC 1861	QLD		✓	
EPC 2110	QLD		✓	
EPC 2208	QLD		✓	
EPC 2372	QLD		✓	
EPC 1592	QLD			✓
EPC 1612	QLD			✓
EPC 1637	QLD			✓
EPC 1986	QLD			✓
EPC 1973	QLD			✓
EPC 1978	QLD			✓
EPC 1982	QLD			✓
EPC 2004	QLD			✓
EPC 2006	QLD			✓
EPC 2027	QLD			✓
EPC 2094	QLD			✓
EPC 2095	QLD			✓
EPC 2174	QLD			✓
EPC 2185	QLD			✓
EPC 2209	QLD			✓
EPC 2213	QLD			✓
EPC 2464	QLD			✓

For personal use only