



22 April 2008

The Manager  
ASX Limited  
Company Announcements Office

Dear Sir,

**Xtract Energy Plc Reduces Holding**

Xtract Energy Plc (AIM: XTR) has announced that it has reduced its holding in Wasabi Energy Limited (ASX: WAS) to approximately 153 million shares by the sale of 132 million shares to a number of UK and European based investors. Xtract Energy has also granted a call option to these investors for a further 100 million Wasabi shares. Following the sale of the shares, Xtract Energy's holding represents approximately 19% of Wasabi's issued capital.

Following is the release made by Xtract Energy regarding their investment in Wasabi.

Yours faithfully

Tim Wise  
Managing Director

For personal use only

21 April 2008

AIM: XTR

XTRACT ENERGY PLC  
("Xtract" or "the Company")

Investment Update - Wasabi Energy Ltd

Xtract Energy Plc announces that it has today completed the sale of 132 million shares in Wasabi Energy Ltd ("Wasabi"). Furthermore, the Company has granted a call option over a further 100 million Wasabi shares. The sale was made and option granted to a number of UK and European based investors.

The Wasabi shares were sold at A\$0.02 per share. The total cash consideration receivable by the Company for the sale of the shares and the grant of the option is approximately of A\$2.6 million.

The call option is exercisable at A\$0.025 per share and expires on 30th November 2008. Wasabi's closing share price on Friday 18th April was A\$0.018 per share.

Following this transaction, Xtract holds approximately 153 million Wasabi shares, representing approximately 19% of Wasabi's total issued share capital. As a result of the sale, Xtract's holding in Wasabi will move from 'Associate' to 'Investment' category for financial reporting purposes.

Andy Morrison, Chief Executive of Xtract commented:

"The sale further simplifies Xtract's portfolio structure and allows the Company to focus its resources to develop other directly held assets within the portfolio and to capitalise on future potential investment opportunities."

For further information, please contact:

Xtract Energy plc	Andy Morrison, CEO	+44 (0) 20 7079 1798
Smith & Williamson Corporate Finance Limited	David Jones Azhic Basirov	+44 (0) 20 7131 4000
Scott Harris	Stephen Scott Annabel Michie	+44 (0) 20 7653 0030

For further Information on Xtract please visit [www.xtractenergy.co.uk](http://www.xtractenergy.co.uk)

About Xtract Energy Plc

Xtract identifies and invests in a diversified portfolio of early stage energy sector technologies and businesses with very significant growth potential. We aim to work closely with the associated management teams to achieve critical project milestones, to finance later development stages and to build and crystallise value for all shareholders and partners.

Xtract is supported by its cornerstone investor, Cambrian Mining Plc (AIM:CBM) a diversified resource investment house which together with its wholly owned subsidiary Cambrian Investments Holdings Limited holds approximately 50.1% of the issued share capital of the Company.

A short description of the principal assets of Xtract is set out below. These assets are either held directly or through wholly owned subsidiaries of the Company.

MEO Australia

MEO is focused on developing gas-to-liquids ("GTL") projects in the Timor Sea Australia, in an area of shallow water known as Tassie Shoal. It has secured Commonwealth Government environmental approvals for two large scale (1.8 Mtpa) methanol plants (50 per cent. interest) and a 3 Mtpa LNG plant (100 per cent.

For personal use only

interest) which are adjacent to the Evans Shoal gas field.

#### Elko Energy

Elko is an oil & gas exploration company which has an interest in a 5,370km<sup>2</sup> exploration and production licence in the Danish North Sea and an investment in Dragon Energy Inc, a private Canadian company, with a development project in Gansu Province, China.

#### Wasabi Energy

Wasabi is a diversified investor in renewable energy and low greenhouse emission technologies, with interests in geothermal waste/heat, uranium exploration in Australia's Northern Territory and biodiesel investments in Victoria. Wasabi made a loss before tax of approximately A\$4.3 million for the year ended 30 June 2007 and its net asset value as at 31 December 2007 was approximately A\$12.2 million.

#### Central Asian Interests

Xtract's Central Asian interests include a production sharing agreement with Kyrgyzneftegaz to instigate a water injection project on the Beshkent- Togap oil field. Xtract also holds interests in several exploration licences in the Tash Kумыr area and in the Toktogul exploration licence.

#### Oil Shale

Xtract has oil shale and related petroleum product exploration rights over mining tenements in the Julia Creek area of Queensland and was granted an exploration permit which gives rights to explore for oil shale in an area in the South of New Zealand. It is investigating the commercial production of hydrocarbons (crude oil) from oil shale.

Xtract is also available for trading on the open market segment of the Frankfurt Stock Exchange (ticker R9X.FSE).

For personal use only