

Energy Developments Limited (ENE)

5 June 2009
For Immediate Release

ASX Release

Incomplete Proposal Received

Energy Developments Limited (ASX: ENE or the “**Company**”) announces today that it has received an unsolicited, highly conditional and incomplete proposal from a consortium of private equity funds (“**Consortium**”) in relation to the acquisition of 100% of the shares of ENE (the “**Proposal**”).

The Company’s largest shareholder, Infratil has indicated its desire to consider entering into an option agreement with the Consortium which would give the Consortium a conditional entitlement to 19.9% of ENE shares on issue. Infratil currently holds an interest in ENE of approximately 32%.

A Committee of the Board, excluding Infratil director representatives, will thoroughly review the Proposal to determine what is in the best interest of all shareholders of the Company, including consulting with ENE’s other major shareholders not connected with the Proposal.

The Company has retained independent financial adviser, Palladio Partners (formerly O’Sullivan Partners) and legal adviser, Freehills, to assist with the Committee’s review of the Proposal.

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For additional information contact:

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ABOUT ENE

ENE is an international provider of renewable energy and low greenhouse gas emission energy. The Company currently owns and operates a diversified international portfolio of power stations in Australia, the United States, Europe and the United Kingdom with a total capacity of 600 MW from a range of fuel sources including landfill gas, coal mine methane and natural gas and liquefied natural gas.

In the year ended 30 June 2008, in its worldwide operations, the Company produced approximately 2,100 GWh of clean energy, and captured and utilised greenhouse gases estimated at 8.8 million tonnes of carbon dioxide equivalent, akin to removing 2.8 million cars from the road. In Australia, the Company captured and utilised waste methane to produce approximately 1,100 GWh of clean energy, and abated approximately 4.5 million tonnes of carbon dioxide equivalent, comparable to removing approximately 1.3 million cars from the roads.