



WEC – White Energy and ASSAC Revise Proposed Transaction 1/1 July 3rd, 2009

(Source: RWE Equity Business News Service)COMNEWS WEC SYDNEY 1001/1/1 WEC - Company Announcement \$gen0 3 July 2009 Part 1/1 ---

White Energy and ASSAC revise proposed transaction

Sydney - Friday - July 3: (RWE Australian Business News) - White Energy Company Ltd (ASX:WEC) and Asia Special Situation Acquisition Corp Inc (ASSAC) have agreed to amend terms of the previously announced transaction on a significantly more favourable basis to White Energy and its shareholders.

A number of events have occurred since terms were agreed with ASSAC in March which, in the opinion of directors of both White Energy and ASSAC, have had a direct impact on the valuation metrics used in determining the appropriate consideration for the ASSAC transaction.

Since the initial agreement was signed, White Energy has continued to achieve its designated growth milestones while there has been a growing interest shown in clean coal activity.

The previous merger transaction as announced in March provided for the following:

1. A merger between White Energy's wholly-owned subsidiary White Energy Technology Ltd (WET) and ASSAC with the merged entity being listed on the NYSE Alternext Exchange. Under this scenario White Energy would have retained a separate ASX listing.
2. The value of the White Energy shares for the purposes of the merger exchange was fixed at a price per share of \$A1.5008 (US99.05c at the then prevailing exchange rate).
3. The minimum cash contribution required to be contributed by ASSAC to the merged entity was \$US75m.
4. The resultant equity split in the merged entity was on a basis whereby White Energy would hold about 61pc and the ASSAC shareholders would hold 39pc of the share capital of the merged entity.

Pursuant to the revised agreement reached between White Energy and ASSAC the following key terms are now applicable:

1. The merger will now take place between White Energy and ASSAC with the merged entity being dual-listed on the main board of the NYSE and the ASX.
2. The value of the White Energy shares for the purpose of the merger exchange will be fixed at a price of \$US2.50 (about \$A3.15 at the current exchange rate).
3. The minimum funds required to be contributed by ASSAC to the merged entity will be \$US100m and maximum cash contribution \$US140m.
4. The resultant equity split in the merged entity will be on the basis that the White Energy shareholders will hold 83pc of the equity in the merged entity (based on the minimum ASSAC cash contribution) or 77pc of the equity in the merged entity (based on the maximum ASSAC cash contribution).
5. On settlement of the transaction, WEC will take control of both the management and board of ASSAC.
6. ASSAC shall change its name to "White Energy Company Inc" or a similar name determined by WEC, if for legal or other reasons "White Energy Company Inc" is not available.
8. From a WEC perspective, the transaction will require shareholder consent and will be consummated through a scheme of arrangement (in accordance with the Corporations Act 2001) and ASSAC will need to obtain its shareholder approval to the transaction as already envisaged.

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