29 July 2010 **ASX Release**

White Energy takeover of South Australian Coal successful

White Energy Company Limited (ASX:WEC; OTCQX: WECFY) (**White Energy**) is pleased to announce that it has received acceptances totaling over 97% in respect of the takeover offer by White Energy's wholly owned subsidiary, White Energy Mining Pty Limited (the **Bidder**), for all of the ordinary shares in South Australian Coal Limited (**SAC**). The offer period for the takeover offer closed at 5.00pm yesterday.

White Energy's Chairman, Mr John McGuigan said, "We are very pleased with the outcome of White Energy's takeover offer for South Australian Coal, one is absolutely delighted by the overwhelming support shown for the takeover as reflected by the over 97% acceptance figure. We look forward to welcoming the South Australian Coal shareholders as shareholders of White Energy and now focusing our efforts on developing the Lake Phillipson coal deposit."

Over 90% of the acceptances received as at the close of the offer period have elected to receive the Share Alternative as consideration for the offer. Consequently, the Cash Alternative will not be subject to any scale back. SAC shareholders who have validly accepted the offer can expect to receive the consideration under the offer on or around 11 August 2010. Those SAC Shareholders who have elected to receive the Share Alternative will also receive at that time, information about how to accept the offer comprising the White Energy Subscription Rights, including the relevant Exercise Forms.

As a consequence of White Energy achieving a relevant interest in SAC of greater than 97%, the Bidder intends to move to compulsorily acquire all remaining SAC shares. Those SAC shareholders whose SAC shares are subject to the compulsory acquisition will be able elect to receive the Share Alternative for some or all of their SAC shares, otherwise they will receive the Cash Alternative. SAC shareholders will soon be sent a compulsory acquisition notice and letter providing further details about the compulsory acquisition process.

White Energy intends to begin the compulsory acquisition process promptly with a view to completing its acquisition of SAC as soon as practicable.

The following is an indicative timeline of the remaining key dates in respect of the SAC transaction:

Notice of compulsory acquisition sent to SAC shareholders	3 August 2010
Consideration paid to SAC shareholders who accepted the offer and elected the Cash Alternative	11 August 2010
Consideration paid to SAC shareholders who accepted the offer and elected the Share Alternative	11 August 2010
White Energy Subscription Rights exercise form sent to SAC shareholders who elected the Share Alternative	11 August 2010
Completion of the $75m Share Placement to interests associated with Travers Duncan, Brian Flannery and John Kinghorn	11 August 2010
Last day for SAC shareholders whose shares are subject to compulsory acquisition to elect to receive the Share Alternative	3 September 2010
Completion of compulsory acquisition	7 September 2010
Deadline for exercising White Energy Subscription Rights under which White Energy will raise up to $57.5m[1]	20 October 2010
Last day for issue of White Energy Ordinary Shares to SAC shareholders who have exercised White Energy Subscription Rights	27 October 2010

Note: These dates are indicative only and are subject to change.

If SAC shareholders have any questions in relation to the takeover offer, compulsory acquisition or White Energy Subscription Rights, they can call the Offer Information Line on 1800 632 680 (for callers in Australia) or +61 2 8256 3394 (for international callers).

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[1] The maximum cash that may be raised if each SAC shareholder who accepted the offer and elected the Share Alternative exercise their full White Energy Subscription Right is $57.5m.

This press release contains forward-looking statements that are subject to risks and uncertainties. These forward-looking statements include information about possible or assumed future results of our business, financial condition, liquidity, results of operations, plans and objectives. In some cases, you may identify forward-looking statements by words such as "may," "should," "plan," "intend," "potential," "continue," "believe," "expect," "predict," "anticipate" and "estimate," the negative of these words or other comparable words. These statements are only predictions. One should not place undue reliance on these forward-looking statements. The forward-looking statements are qualified by their terms and/or important factors, many of which are outside the Company's control, involve a number of risks, uncertainties and other factors that could cause actual results and events to differ materially from the statements made. The forward-looking statements are based on the Company's beliefs, assumptions and expectations of our future performance, taking into account information currently available to the Company. These beliefs, assumptions and expectations can change as a result of many possible events or factors, not all of which are known to the Company. Neither the Company nor any other person assumes responsibility for the accuracy or completeness of these statements. The Company will update the information in this press release only to the extent required under applicable securities laws. If a change occurs, the Company's business, financial condition, liquidity and results of operations may vary materially from those expressed in the forementioned forward-looking statements.