

ASX Announcement

ASX Code: AMU

16 December 2009

AMADEUS ACQUIRES TNT ENGINEERING

HIGHLIGHTS

- **Achieves operational control of majority of Amadeus' US oil and gas projects**
- **Reduces operating costs**
- **Increases proven reserves**

Amadeus Energy is pleased to announce that it has successfully completed the purchase of TNT Engineering Inc, the Texas-based operator of the majority of its US oil and gas interests.

The acquisition is a key strategic initiative of Amadeus and delivers control of operations, timing of exploration spend and development of production assets.

The US\$5.5 million acquisition is anticipated to deliver savings of approximately US\$2.5 million per annum. TNT has been operating Amadeus' US assets for over 10 years. The lower production costs will significantly improve proven reserves.

To facilitate the acquisition within the exclusive and confidential offer period, Amadeus has also acquired 46% of the minority working interests that TNT jointly owns in some of Amadeus' production assets, for US\$8.28 million.

The balance of TNT's interest in these projects has been purchased by third parties, several of whom have extensive oil and gas experience. With the TNT transaction settled, and the vendor's condition of confidentiality passed, the working interests acquired by Amadeus can now be on-sold to the broader market.

The acquisition of TNT and part of TNT's interest in the production assets has been funded from cash reserves and will deliver substantial cost and personnel benefits to Amadeus.

Through the purchase, TNT's full complement of staff, including three petroleum engineers, two geologists, a landman (attorney), and several field and administrative staff, will move to Amadeus and be led by Ms Betty Dieter, who was appointed President of Amadeus Petroleum Inc. (the Company's wholly-owned US operating subsidiary) in August 2008.

Ms Dieter has more than 30 years of operational and corporate experience working with a number of major US on-shore oil and gas companies.

ENDS

Amadeus Energy Ltd is an ASX listed energy company that generates value for shareholders by increasing oil and gas production and growing reserves through the acquisition and development of existing long-life on-shore oil and gas fields and through exploration activity. This is achieved by acquiring properties that have significant development and improvement potential and by investing in a combination of low, medium and high-risk exploration activity.

ASX Listed: **20 March 1997**

As at 30 November 09

Shares on issue: ~304 million
Unlisted options: ~8.5 million
Market Cap: ~\$81 million

Major Shareholders:

National Nominees Ltd **8.80%**
Wyllie Group Pty Ltd **8.22%**
Spinifex Holdings / G Towner **4.41%**

Top 20: **45.26%**
Directors: **5.87%**

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