

IGAS ENERGY PLC ("IGas")

Final Results 2010 and Operational Update

A Step Change in Activity









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Results Highlights



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Focused on delivering commercial production

Following acquisition of Nexen Exploration (UK) Ltd, IGas has 100% ownership and operatorship of its acreage

- Resources more than doubled to 1.7Tcf (technically recoverable gas)
- Funding in place for accelerated drilling programme
- Experienced team in place to deliver





Results Financial



	2010	2009
Revenue	£ 656k	£828k
Operating Loss	£1,713k	£515k
Loss for the year	£1,543k	£504k

Cash

- £12.08m at 31 December 2010
- Capital raise Feb 2011 £20.6m gross
- £30.6m at 30 April 2011



Results: Operational

HSESQS

OSPAR accreditation achieved

Exploration and appraisal

- DECC approval for licence extension at Point of Ayr
- Planning in place for two additional sites

Development

- Established generic production site plan
- FEED study for full production facilities on-going

Production

- Continued at Doe Green with 94% up time 2H 2010
- 2nd pilot site completed at Keele, work over under evaluation

Resources

Initial evaluation of shale potential at up to 4.6tcf



Upcoming Activity and Operational Update





Activity Summary

Drilling

Running two rigs to execute programme

Sites

Will be operational at five sites over next nine months

Wells

- Drilling 4-6 wells over next nine months
- All will be completed as producers or potential producers
- More wells in next nine months than previous four years

Systems

- OSPAR accreditation completed
- ISO 9001/14001 in 2H 2011

Obligations

Work programme fulfils all 13th round obligations

■ 2011 Capex

Between £14million and £19million





Activity: Drilling Capacity

Completing Joint Venture with Meehan drilling

- Schramm TXD 200 rig
- Pumps and ancillaries acquired by IGas
- Rig and drilling equipment now being assembled in UK for pre-drilling testing



 Rig and crew we have successfully used on four previous occasions



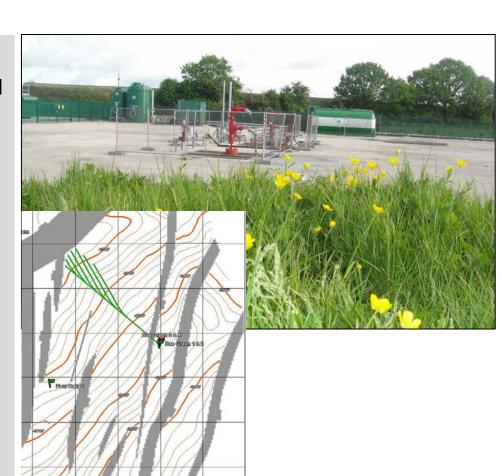




Activity: Doe Green

Drilling DG3 in coming months

- Well targeted to deliver commercial production with multiple branches
- Targeting London Delph at ~2,676'
 TVDSS
- Drilling with BDF-28 rig
- Up-grading export facilities
 - Designed to reflect anticipated increase in production
- Potentially drilling DG4
 - Also targeted as a commercially producing well, drawing on DG3 experience



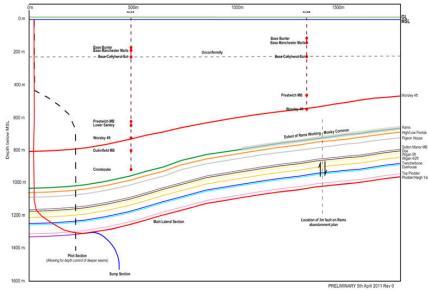


Activity: Barton

□ Drilling Barton (B-1) at new site

- Well will be completed with multiple lateral sections and as a commercial producer
- Targeting Plodder/Haigh Yard at ~4,302'TVDSS
- Will drill with BDF 28 rig
- Site based upon generic export design that will be used at subsequent production sites
- Potentially following on with B-2 on basis of results of B-1, will also be completed as a multilateral producer
- Fulfil licence obligations on PEDL
 193







Activity: Ellesmere Port

Drilling EP-1 at new site

- Will drill with TXD 200 Meehan rig
- Vertical hole, logged to anticipated ~4,700' TVDSS
- Well design allows for subsequent re-entry, testing and completion as a producer
- Site construction to commence once planning conditions fulfilled
- Fulfil licence obligations on PEDL 184



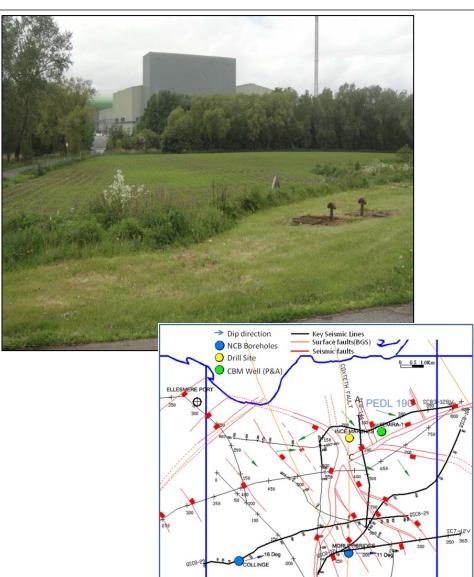
WESTPHALLENCED
WARWICKSHIRE GRP
MIDEN DIRECT
3000
B. BARREN MEASURES (-2602 ft)



Activity: Ince Marshes

Drilling IM1 at new site

- Will drill with TXD 200 Meehan rig
- Vertical hole, logged to anticipated~ 4,650'
 TVDSS
- Well design allows for subsequent re-entry, testing and completion as a producer
- Site construction to commence once planning conditions fulfilled
- Multiple gas export options adjacent to site
- Fulfil licence obligations on PEDL 190





Activity: Keele

□ Production test has been ongoing since Sept 2010

- Encouraged by coal quality, however effective coal section limited by mechanical issues, meaning sample size too small to be representative
- Regular production of Gas and Water
- Currently engineering a workover programme to increase contact with coal
- Evaluating potential for drilling KP-2





Activity: Point of Ayr

Identified preferred brown field site

- Unable to agree terms for access with current user of site
- Working with other local landowners and stakeholders on alternatives

Extension to first term of licence granted by DECC

- Given in recognition of land access issues
- First term extended to March 2012





Summary: Step Change in Activity

Appraisal

- Ince Marshes
- Ellesmere Port
- Point of Ayr

Commercial production demonstration

- Doe Green
- Barton

Export

- Upgrading of facilities at Doe Green
- Generic design implementation at Barton
- Local customer potential at Ince

Resource to Reserves

 Whole work programme designed to aid migration of resource to reserves through demonstration of commercial production



Appendix





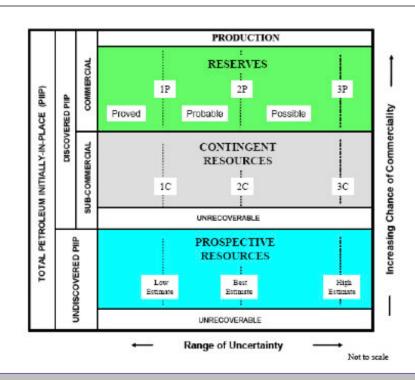
2011 Activity Locations





Resources

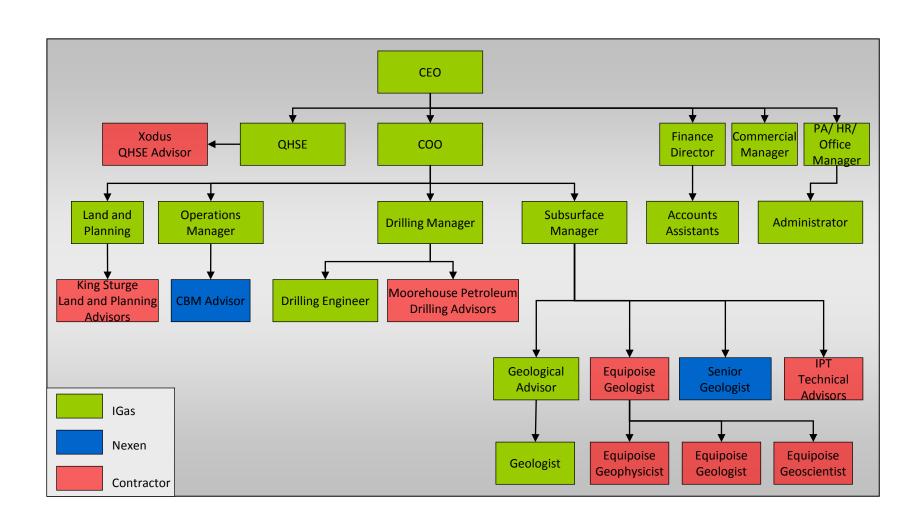
- GIIP Competent persons report –
 Equipoise Solutions
- Contingent Recoverable Resource report - DeGolyer and MacNaugton
- The table below is following completion of the acquisition of Nexen Exploration Ltd
- IGas will update the reports in due course.



Equipoise GIIP(un-risked)	Low	Mid	High
СВМ	5,1553Bcf	9,102Bcf	19,462Bcf
Shale	89Bcf	1,139Bcf	4,644bcf
Total	5,246Bcf	10,246Bcf	24,106Bcf
DeGolyer and MacNaughton Contingent Resource	1C	2C	3C
	1,192Bcf	1,736Bcf	2,530Bcf



Organisation Chart





Glossary

BCF	Billion Cubic Feet
B.E	Beneficial interest
BOE	Barrels of Oil Equivalent
BOEPD	Barrels of Oil Equivalent per day
CBM	Coal Bed Methane
CPR	Competent persons report
CSG	Coal Seam Gas (CBM)
D&M	DeGolyer and MacNaugton
DECC	Department of Energy and Climate Change
EBIT	Earnings before interest and tax
EBITDA	Earnings before interest, tax, depreciation and amortisation
GIIP	Gas initially in place
MMSCFD	thousand standard cubic feet per day (measure of production
PEDL	Petroleum exploration and development licence
Scf/tonne	Standard cubic feet per tonne
TCF	Trillion Cubic Feet
TVDSS	True Vertical Depth Sub Surface
WI Basis	Working interest basis