

GTL Resources PLC
2 July 2007

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GTL Resources PLC

PLACING OF NEW ORDINARY SHARES BY MORGAN STANLEY SECURITIES LIMITED TO RAISE IN THE REGION OF US\$25 MILLION

GTL Resources PLC (GTL, or the Company), the project development company focused on ethanol production in the US, announces a placing (the Placing) of new ordinary Placing Shares of par value £1.00 each (the Placing Shares) to raise in the region of £13 million (US\$25.7 million) (before expenses). It is intended that the net proceeds of the Placing will, together with a senior debt facility of around US\$140,000,000 to be raised by GTL's subsidiary, Illinois River Energy LLC and a proposed \$30 million of junior debt to be raised by the issue of tax exempt bonds in the US), enable the Company to undertake an expansion in the nameplate capacity of the Group's ethanol plant at Rochelle, Illinois from 50 mgpa to 100 mgpa.

Morgan Stanley Securities Limited (Morgan Stanley) is acting as Placing Agent in connection with the Placing.

On 30 June 2007 GTL released its preliminary financial results for the financial year ended 31 March 2007.

EGM

On 30 June 2007 the Company also posted a Circular and Notice of Meeting to its shareholders announcing an extraordinary general meeting to be held at 11 a.m. on 23 July 2007 at 3 More London Riverside, London SE1 2AQ.

Implementation of the Placing requires, amongst other things, shareholder approval for an increase in the authorised share capital of the Company. Further shareholder authorities, as described in more detail in the Notice of Meeting, will also need to be passed by the shareholders in order for the Placing to proceed. In addition, the availability of the proposed senior debt and junior debt to be raised for the expansion of the Plant is inter-conditional with the completion of the Placing and therefore requires the passing of the shareholder approval set out in the Notice of Meeting.

Placing

It is expected that a placing agreement will be entered into at the close of the bookbuilding exercise to be undertaken by Morgan Stanley (the Placing Agreement). If Morgan Stanley enters in to the Placing Agreement it will, subject to the satisfaction of certain conditions, procure subscribers or itself subscribe for the Placing Shares to be issued to raise in the region of £13 million (US\$25.7 million) (before expenses).

Application will be made for the Placing Shares to be admitted to trading on AIM. Subject, amongst other things, to the passing of the shareholder resolution at the EGM, it is expected that the Placing Shares will be admitted to trading on AIM on or around 24 July 2007. The Placing will be conducted in accordance with the Placing Agreement and with the terms and conditions set out in the appendix to this announcement. The number of Placing Shares to be issued pursuant to the Placing and the price at which the Placing Shares will be issued will be determined at the close of the bookbuild.

The appendix to this announcement (which forms part of this announcement) sets out further information and the terms and conditions of the Placing. The Placing is subject, amongst other things, to admission of the new Placing Shares to trading on AIM. The Placing Shares will rank *pari passu* in all respects with the existing ordinary shares of the Company trading on AIM.

Notices

This announcement has been issued by GTL and is the sole responsibility of GTL.

Morgan Stanley is acting for GTL and no-one else in connection with the Placing. Morgan Stanley will not be responsible to anyone other than GTL for providing the protections afforded to its clients, nor for providing advice in relation to the Placing or any other matter referred to in this announcement.

This announcement is for information purposes only and does not constitute an offer or an invitation to acquire or dispose of any securities or investment advice in any jurisdiction.

This announcement does not constitute an offer to sell or issue or the solicitation of an offer to buy or subscribe for securities in the United States, Canada, Australia, the Republic of Ireland, the Republic of South Africa or Japan or any other jurisdiction in which such offer or solicitation is unlawful and should not be relied upon in connection with any decision to acquire the Placing Shares or any other securities of GTL (as further described in the appendix to this announcement).

Contacts

GTL Resources plc

Peter Middleton, Executive Chairman Tel: 020 3170 5736

Michael Brennan, Finance Director Tel: 01642 794 000

Morgan Stanley

Alastair Maxwell, Tel: 020 7425 8000

Jon Bathard-Smith, Tel: 020 7425 8000

Appendix: Terms of Placing

Eligible Participants

Members of the public are not eligible to take part in the Placing. This announcement and this appendix are made to and directed only at persons in the United Kingdom who:

(a) fall within the definition of 'investment professional' within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the Order); or is a person who is otherwise described in (a) to (d) of Article 49(2) of the Order; and

(b) is a 'qualified investor' as defined in Article 2.1(e) of the Prospectus Directive (2003/71/EC),

(a person satisfying the requirements in (a) and (b) above being an Exempted Person).

If an Exempted Person chooses to participate in the Placing by making or accepting an offer to acquire Placing Shares (each such Exempted Person whose participation is accepted by Morgan Stanley in accordance with this appendix being hereinafter referred to as a Subscriber and, together, as the Subscribers), it will be deemed to have read and understood this announcement and this appendix in its entirety and to be making or accepting such offer on the terms and conditions and to be providing the representations, warranties and acknowledgements contained in this appendix.

This announcement and appendix do not constitute an offer to sell or issue or a solicitation of an offer to buy or subscribe for Placing Shares in any jurisdiction in which to do so would be unlawful. The distribution of this announcement and the placing and issue of the Placing Shares in certain jurisdictions may be restricted by law. Persons to whose attention this announcement has been drawn are required to inform themselves about and to observe any such restrictions.

General Terms

1. Morgan Stanley (whether itself or through its affiliates) is arranging the Placing as agent for, and on behalf of, the Company. Participation will only be available to Exempted Persons invited to participate in the Placing by Morgan Stanley and who agree to the terms of a letter containing various representations and warranties in favour of Morgan Stanley confirming their status as an Exempted Person and other matters (the Subscriber Letter).

2. Subject always to the terms and conditions of the Placing Agreement, Morgan Stanley expects to begin a bookbuilding exercise on 2 July 2007 and, on or around 16 July 2007 (the Pricing Date), will agree with the Company the number of Placing Shares to be offered in the Placing and the price per share at which the Placing Shares will be offered (the Placing Price). The number of Placing Shares being issued and the Placing Price will be communicated to potential Subscribers on or after the Pricing Date.

3. The Placing Shares will, when issued, be credited as fully paid and will rank *pari passu* in all respects with the existing issued ordinary shares.

4. The Placing is conditional on a number of matters (the Conditions) including, *inter alia*: (a) admission to AIM (Admission) occurring by 24 July 2007; (b) the Company and Morgan Stanley entering into a placing agreement (the Placing Agreement); (c) none of the representations and warranties made by the Company in the Placing Agreement being untrue or incorrect and no representation and warranty becoming untrue or incorrect at any time up to Admission; and (d) in the opinion of Morgan Stanley, there having been no material adverse change or any development involving a prospective adverse change in the condition (financial or otherwise), prospects, results of operations or business affairs of the Company or any other

Group company prior to Admission. The Subscribers acknowledge and agree that Morgan Stanley may exercise its contractual rights to waive or to extend the time and/or date for fulfilment of any of the Conditions. Morgan Stanley and the Company (and their respective affiliates and people acting on their behalf) shall not have any liability to any Subscriber (or to any other person whether acting on behalf of a Subscriber or otherwise) in respect of the exercise of its contractual rights to waive or to extend the time and/or date for the satisfaction of any condition in the Placing Agreement or any delay to the Placing.

5. Subject to the Company and Morgan Stanley entering into the Placing Agreement, Morgan Stanley will also have the right to terminate the Placing in the circumstances to be set out in the Placing Agreement (Termination Rights), which will include if, inter alia: (i) there is a breach of the terms of the Placing Agreement; or (ii) certain kinds of force majeure events occur. If the Placing Agreement is terminated prior to Admission, the Placing will lapse and the rights and obligations of the Subscribers thereunder shall cease and determine at such time and no claim can be made by any Subscriber in respect thereof. The Subscribers acknowledge and agree that Morgan Stanley may exercise its Termination Rights and that neither Morgan Stanley nor the Company (and their respective affiliates and people acting on their behalf) shall have any liability to any Subscriber (or to any other person whether acting on behalf of a Subscriber or otherwise) in respect of the exercise of Morgan Stanley's Termination Rights or the termination of the Placing. In the event of the termination of the Placing, all monies (if any) paid by the Subscribers to Morgan Stanley at such time shall be returned to the Subscribers at their sole risk without any obligation on the part of Morgan Stanley or the Company (or their respective affiliates or people acting on their behalf) to account for any interest earned on such funds.

6. Application will be made for the Admission of the Placing Shares to trading on AIM. Subject to the satisfaction or waiver of the Conditions by Morgan Stanley and Morgan Stanley not exercising their Termination Rights, it is expected that Admission will take place, and dealings in the Placing Shares will commence, on 24 July 2007.

7. No prospectus has been or will be submitted for approval by the Financial Services Authority or otherwise produced in relation to the Placing or the Placing Shares.

Placing and Settlement Mechanics

8. Morgan Stanley will (on behalf of the Company) orally communicate to each of the Subscribers the number of Placing Shares which the Company has agreed to allocate to it and the Placing Price for those Placing Shares (the Allocation) and a copy of the Subscriber Letter will be provided to the Subscriber.

9. Upon the Subscriber agreeing to accept the Allocation (whether orally or in writing), an irrevocable and legally binding contractual commitment will be created in favour of Morgan Stanley and the Company to subscribe for the number of Placing Shares at the Placing Price comprised in the Allocation on the terms and conditions set out or referred to in this appendix and subject to the Company's memorandum and articles of association (the Subscriber Commitment), the date of the Subscriber Commitment being the 'trade date'.

10. Upon the Subscriber Commitment arising, the Subscriber will, as soon as reasonably practicable, return the duly executed Subscriber Letter to Morgan Stanley and provide settlement instruction details.

11. If Placing Shares are to be delivered to a custodian or settlement agent of a Subscriber, the relevant Subscriber should ensure that its settlement instruction details are copied and delivered immediately to the Exempted Person within that organization.

12. Morgan Stanley may at their sole discretion terminate the Subscriber Commitment and the trade if prior to settlement: (i) the Conditions are not satisfied; (ii) Morgan Stanley has exercised its Termination Rights; or (iii) the duly executed Subscriber Letter (in a form satisfactory to Morgan Stanley) is not delivered to Morgan Stanley by the Subscriber and neither Morgan Stanley nor the Company or any of their respective

affiliates or persons acting on their behalf will have any liability, responsibility or duty in respect of any such termination of a Subscriber Commitment or trade.

13. Settlement of the Subscriber Commitment following Admission will take place within the CREST system. Settlement through CREST will be as notified by Morgan Stanley and is expected to occur on 24 July 2007. Settlement will be on a delivery versus payments basis. However, in the event of any difficulties or delays in the admission of the Placing Shares to CREST or the use of CREST in relation to the Placing, the Company and Morgan Stanley may agree that the Placing Shares should be issued in certificated form. Morgan Stanley reserves the right to require settlement for the Placing Shares, and to deliver the Placing Shares to Placees, by such other means as it deems necessary if delivery or settlement to Placees is not practicable within the CREST system or would not be consistent with regulatory requirements in the jurisdiction of such Subscribers. Morgan Stanley may, at its sole discretion and upon the request of Subscribers, also agree to settle transactions with Subscribers by delivery of share certificates for the Placing Shares.

14. It is expected that settlement of the Placing will occur on or around 24 July 2007. Morgan Stanley may agree with the Company a later settlement date. On that date (or a later agreed settlement date) each Subscriber must pay the full amount owed in respect of the Subscriber Commitment. Payment must be made in cleared funds. Interest is chargeable daily on outstanding amounts to the extent that any amount is not received on the due date at the rate per annum of 2 percentage points above the Barclays Bank plc base rate.

15. If a Subscriber fails to comply with any of its obligations in this appendix, Morgan Stanley may sell the Placing Shares allocated to such Subscriber (as agent for such Subscriber) and retain from the proceeds, for its own account and benefit, an amount equal to the Placing Price plus any interest due. The relevant Subscriber will, however, remain liable, inter alia, for any shortfall below the Placing Price and it may be required to bear any stamp duty or stamp duty reserve tax (together with any interest or penalties) which may arise upon the sale of its Placing Shares on its behalf.

16. Commissions will not be paid to Subscribers in connection with the Placing.

17. Time shall be of the essence as regards the obligations of Subscribers to settle payment for the Placing Shares and to comply with their other obligations under this appendix.

18. Insofar as the Placing Shares are to be registered in the name of a Subscriber or that of its nominee, such Placing Shares will, subject to what is provided below, be so registered free from any liability to stamp duty or stamp duty reserve tax.

Representations and Warranties by Subscribers

By participating in the Placing, each Subscriber (and any person acting on its behalf):

1. Represents and warrants that it has read this announcement (including this appendix) in its entirety and acknowledges that its participation in the Placing will be governed by the terms of this announcement and appendix and the Subscriber Letter;
2. Acknowledges that no prospectus or other offering document has been prepared in connection with the Placing;
3. Represents, warrants and undertakes that it will subscribe for the Placing Shares allocated to it in the Placing in accordance with its Subscriber Commitment and pay up for the same in accordance with the terms of this appendix, failing which the relevant Placing Shares may be placed with other Subscribers or sold as Morgan Stanley determines and without incurring any liability to such Subscriber;

4. Undertakes that it will do all things necessary to ensure that payment for the Placing Shares and delivery is completed in accordance with the standing CREST instructions (or, where applicable, standing certificated settlement instructions) agreed with Morgan Stanley and deliver all documents necessary for such settlement;
5. Undertakes and acknowledges that its obligations under a Subscriber Commitment are legally binding and irrevocable;
6. Acknowledges and agrees that this announcement, which has been issued by the Company, is the sole responsibility of the Company;
7. Acknowledges and agrees that it has not been, and will not be, given any warranty or representation in relation to the Placing Shares or to the Company and has not relied on any such representation or warranty;
8. Represents and undertakes that, by the settlement date, it will have validly executed the Subscriber Letter and that the representations and warranties therein are true, accurate and not misleading and that the representations and warranties in the Subscriber Letter form an integral part of the Subscriber Commitment;
9. Represents and warrants that it (or the beneficial owner, as applicable) is entitled to subscribe for Placing Shares under the laws of all relevant jurisdictions which apply to it and that it has fully observed such laws and obtained all such governmental and other guarantees and other consents which may be required thereunder and complied with all necessary formalities;
10. Represents and warrants that it has complied with its obligations in connection with money laundering and terrorist financing under the Criminal Justice Act 1993 and the Money Laundering Regulations 2003 (together, the 'Regulations') and, if it is making payment on behalf of a third party, that satisfactory evidence has been obtained and recorded by it to verify the identity of the third party as required by the Regulations;
11. Represents and warrants that its obligations under the Placing are valid, binding and enforceable and that it has all necessary power, capacity and authority, and has obtained all necessary consents and authorities to enable it to acquire and pay for the Placing Shares, participate in the Placing and to perform its obligations in relation thereto and will honour its obligations (including, without limitation, in the case of any person on whose behalf it is acting, all necessary consents and authorities to agree to the terms set out or referred to in this announcement);
12. Undertakes and agrees that: (i) the person whom it specifies for registration as holder of the Placing Shares will be (a) the Subscriber or (b) a nominee of the Subscriber; (ii) neither Morgan Stanley nor the Company or any of their respective affiliates or persons acting on their behalf will be responsible for any liability to stamp duty or stamp duty reserve tax resulting from a Subscriber's (or its nominee's) participation in the Placing; and (iii) the Subscribers for any uncertificated Placing Shares and any person acting on its behalf agrees to subscribe on the basis that the Placing Shares will first be allotted to the CREST account of Morgan Stanley who will act as settlement agent in order to facilitate the settlement process;
13. Represents and warrants that the issue to the Subscriber, or the person specified by such Subscriber for registration as holder of Placing Shares, will not give rise to a liability under any sections 67, 70, 93 or 96 of the Finance Act 1986;
14. Acknowledges that a Subscriber's subscription (and/or the subscription of a person for whom it is contracting as agent) free of stamp duty and stamp duty reserve tax depends on the settlement relating only to a subscription by it and/or such person directly from the Company for the Placing Shares in question. Such agreement assumes that the Placing Shares are not being acquired in connection with arrangements to issue depositary receipts or to transfer the Placing Shares into a clearance service. If there were any such arrangement, or the settlement related to other dealing in the Placing Shares, stamp duty or stamp duty reserve tax may be payable, for which neither Morgan Stanley nor the Company or any of their respective

affiliates or persons acting on their behalf will be responsible. If this is the case, the relevant Subscriber should take its own advice and notify the Morgan Stanley accordingly. In addition, Subscribers will be liable for any capital duty, stamp duty and all other stamp, issue, securities, transfer, registration, documentary or other duties or taxes (including any interest, fines or penalties relating thereto) payable by them or any other person on the subscription or acquisition by them of any Placing Shares or the agreement by them to acquire any Placing Shares;

15. Acknowledges and agrees that any monies of any Subscriber or any person acting on behalf of the Subscriber held or received by Morgan Stanley will not be subject to the protections conferred by the Financial Services Authority's 'Client Money Rules'. As a consequence, these monies will not be segregated from the monies of Morgan Stanley and may be used by Morgan Stanley in the course of its business, and the relevant Subscriber or any person acting on its behalf may therefore rank as a general creditor of Morgan Stanley; and

16. Acknowledges that the agreements entered into by it pursuant to these terms and conditions shall be governed by and construed in accordance with the laws of England and it submits (on behalf of itself and on behalf of any person on whose behalf it is acting) to the exclusive jurisdiction of the English courts as regards any claim, dispute or matter arising out of any such contract.

The acknowledgments, undertakings, representations and warranties above and in the Subscriber Letter are given to each of Morgan Stanley and the Company and are irrevocable. Morgan Stanley and the Company will rely upon the truth and accuracy of the foregoing acknowledgements, undertakings, representations and warranties. Nothing in this appendix shall exclude any liability of any person for fraud or fraudulent misrepresentation on its part.

Further Notices

The Placing Shares referred to in this announcement have not been and will not be registered under the US Securities Act of 1933 or the securities laws of any state of the United States, and may not be offered or sold, taken up, delivered or transferred (directly or indirectly) and will not qualify for sale within the United States. There will be no public offer of the Placing Shares in the United States. The Placing Shares have not been recommended, approved or disapproved by any United States federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this announcement. Any representation to the contrary is a criminal offence in the United States.

The Placing Shares will not be lodged or registered with the Australian Securities and Investments Commission under Australia's Corporations Law and are not being offered for subscription or sale and may not be directly or indirectly offered, sold or delivered in or into Australia or for account or benefit of any person or corporation in (or with a registered address in) Australia.

No document in relation to the Placing Shares has been or will be lodged with the Registrar of Companies in the Republic of Ireland and the Placing Shares will not be offered, sold or delivered, directly or indirectly in the Republic of Ireland. All subscribers for Placing Shares must provide addresses outside the Republic or Ireland for the receipt of certificates for Placing Shares.

The relevant clearances have not been, and will not be obtained from the Ministry of Finance of Japan and no circular in relation to the Placing Shares has been or will be lodged with or registered by the Ministry of Finance of Japan. The Placing Shares may not therefore be offered or sold, directly or indirectly in or into Japan, its territories and possessions and any areas subject to its jurisdiction.

The approval of the South African Exchange Control Authorities has not been, and will not be, obtain in relation to the Placing Shares. The Placing Shares may not therefore be offered or sold directly or indirectly in or into South Africa.