



ASX Announcement

5 August 2016

Update on Sale Agreement with Eneabba Gas

The Directors of UIL Energy Ltd (**UIL Energy**) (ASX:UIL) wish to provide shareholders the following update on the Sale of Shares Agreement (**SSA**) with Eneabba Gas Ltd (**Eneabba Gas**) (ASX:ENB) to acquire Eneabba's Perth Basin permit interests.

Completion of the SSA with Eneabba Gas is conditional on the satisfaction of certain conditions including the transfer of the Ocean Hill permit (EP 495) from Black Rock Mining (ASX:BKT) (**Black Rock**) to Ocean Hill Pty Ltd, a subsidiary of Eneabba Gas. This transfer application process is currently underway with the Department of Mines and Petroleum (**DMP**) and the Company has been advised that the transfer will likely be completed shortly.

Under the SSA between the company and UIL Energy, the Company is required to issue 90 million Convertible Redeemable Preference Shares (**CRPS**) to Eneabba Gas as consideration for the acquisition of Eneabba's wholly owned subsidiaries Ocean Hill Pty Ltd and GCC Methane Pty Ltd (which hold Eneabba's Perth Basin permits), with this share issue being approved by UIL Energy shareholders at the general meeting held on 6 May 2016. Shareholder approval was given for the Eneabba Gas consideration shares to be issued within three months of the shareholder approval or such later date as permitted by the ASX. Due to the longer than expected approval process within the DMP, this three month period is due to expire shortly, and as a result the Company sought a waiver from ASX listing rule 14.7 in order to extend the deadline date for the issue of consideration shares to Eneabba Gas.

The ASX waiver has been granted on the conditions that the Eneabba Gas consideration shares are to be issued no later than 14 October 2016 and on the same terms as previously approved by UIL Energy shareholders. Based on the above, completion of the Eneabba Gas SSA is expected to occur by the end of August.

For and on behalf of the Board
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Co-Company Secretaries
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