



ASX Announcement
28 November 2018

STRIKE ENERGY SHARE TAKEOVER OFFER DECLARED UNCONDITIONAL

The Directors of UIL Energy Ltd (**UIL Energy** or the **Company**) (ASX:UIL) are pleased to provide this update in relation to the off-market takeover offers announced by Strike Energy Limited (**Strike Energy**) on 22 October 2018, to acquire all of the Shares (**Share Offer**) and all of the Convertible Preference Shares (**CPS**) in UIL Energy (together, the **Offers**).

SHARE OFFER DECLARED UNCONDITIONAL AND BOARD CHANGES

Total acceptances under the Share Offer have now increased to ~56% and Strike Energy has declared the Share Offer unconditional. As such, UIL Energy and Strike Energy have agreed to:

- appoint Andrew Seaton and Stuart Nicholls as Directors to the UIL Energy Board; and
- procure the resignation of each of the current UIL Energy Directors other than Stephen Bizzell,

each effective immediately following closure of the UIL Energy Annual General Meeting (**AGM**) to be held this coming Friday, 30 November 2018. John de Stefani will remain as Chief Executive Officer to assist with the transition and integration of the Strike Energy and UIL Energy businesses.

Following implementation of these changes to the UIL Energy Board, Strike Energy will assume control of day-to-day operations of the UIL Energy business.

MINORITY OWNERSHIP CONSEQUENCES AND RECOMMENDATION TO ACCEPT

With Strike Energy having now reached total acceptances under the Share Offer of ~56% and the Share Offer being declared unconditional, Strike Energy will have effective control of UIL Energy at the conclusion of the UIL Energy AGM this coming Friday, 30 November 2018. UIL Energy shareholders who do not accept the Share Offer will remain as minority shareholders and be subject to a number of additional risks, including:

- reduced liquidity;
- falls in UIL Energy's share price if the Share Offer closes with Strike Energy holding less than 90%; and
- greater difficulty in realising value for UIL Energy Shares with Strike Energy likely to hold a blocking stake.

The UIL Energy Board of Directors continue to recommend that UIL Energy securityholders **ACCEPT** the Offers (in the absence of a superior proposal) and encourage UIL Energy securityholders to refer to the Strike West Bidder's Statement released on 24 October 2018 including information on the risks associated with not accepting the Offers, and the UIL Energy Target's Statement released on 7 November 2018 that included an Independent Expert's Report, which concluded that each of the Offers are **FAIR AND REASONABLE** to UIL Energy securityholders.

ACCEPTING THE OFFERS

If you have already accepted the Offers you need not take any action. If you have not yet accepted the offers for your UIL Energy Shares or CPS, we encourage you to accept without delay.

The Offers are due to close at 7.00 pm (Sydney time) on 14 December 2018 (unless the offer period is extended).

If you have any queries in relation to how to accept the Offers or any other matter relating to the takeover bids, please call the offer information line on 1300 737 760 (within Australia) or +61 2 9290 9600 (outside Australia, charges apply) between 8.30am and 5.00pm (Sydney time) Monday to Friday.

AGM RESOLUTIONS

Further to the Notice of Meeting in relation to the UIL Energy AGM released on 31 October 2018 and Strike Energy declaring the Share Offer unconditional having reached total acceptances of ~56%, UIL Energy intends to withdraw all resolutions, with the exception of:

- Resolution 1 - Adoption of the Remuneration Report; and
- Resolution 10 - Approval to issue an additional 10% of the issued capital of the Company over a 12 month period pursuant to Listing Rule 7.1A.

**THE UIL ENERGY BOARD OF DIRECTORS STRONGLY ENCOURAGE ALL UIL ENERGY
SECURITYHOLDERS TO ACCEPT THE OFFERS WITHOUT DELAY**

For and on behalf of the Board
Drew Speedy and Duncan Cornish
Co-Company Secretaries^[1]_{SEF} UIL Energy Ltd

For further information contact:

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