

ANTILLES FARMS OUT LARGE, PROSPECTIVE BLOCK ONSHORE PERU FOR UPCOMING DRILLING

Highlights:

- Antilles farms out 50% position in Block 105 onshore Peru to Union Group a Uruguayan oil and gas fund
- Union will fund 75% of the well to be drilled in 2016 up to a cap of US\$3m
- The exploration well will target a mean 29.6 mmbo shallow target and a deeper mean 100 mmbo target
- The planned well is 10 km to the west of the previously producing field Pirin

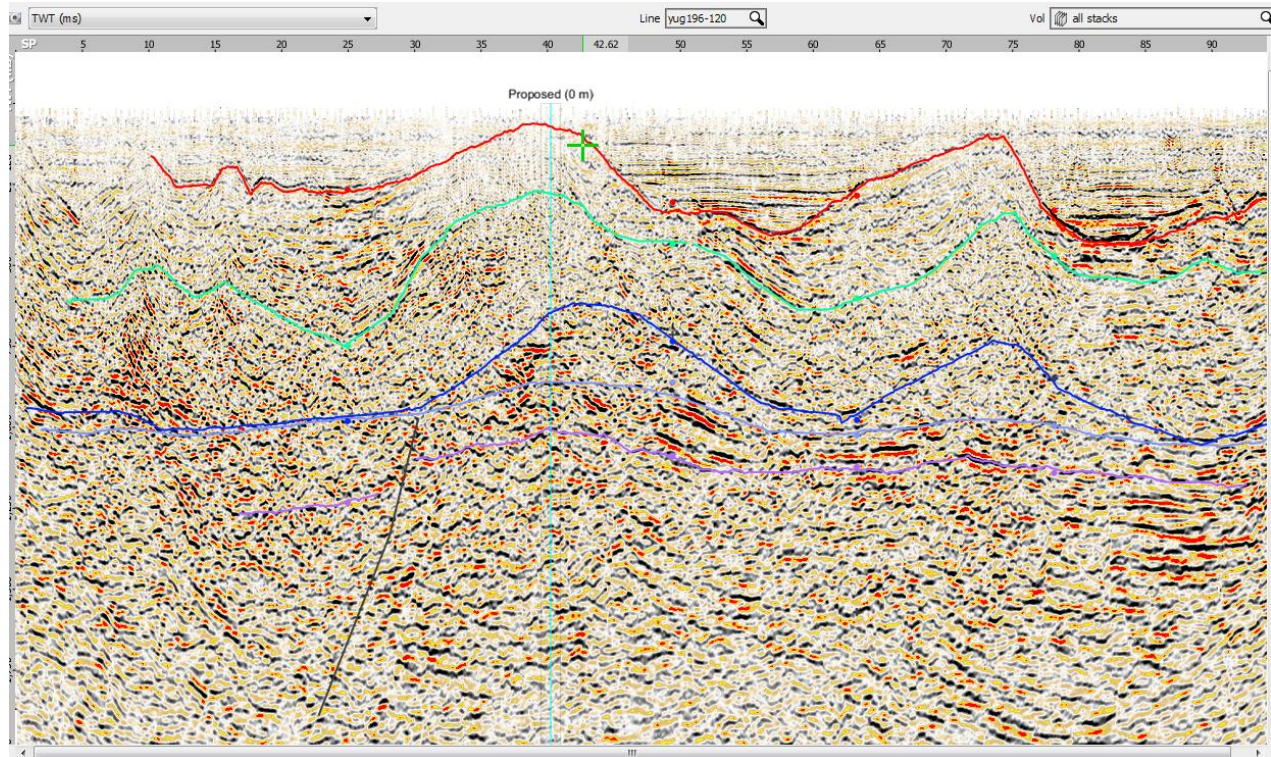
David Ormerod, Managing Director, commented:

“Antilles looks forward to drilling the exploration well of Block 105 in this productive trend we have identified in Peru and the further development of our exploration portfolio. Peru is an attractive investment environment where Antilles looks to understand and develop further exploration and development opportunities.”

Antilles Oil and Gas NL (**Antilles** or the **Company**) is delighted to announce the farmout of 50% of our acreage position in onshore Peru. The position is in the Titcaca Basin on trend to historic producing field Pirin in the block. Antilles has a fifty per cent (50%) equity holding in the block, which carries a work program of exploration drilling in the current exploration term. Our partner Union will fund up to 75% of the well cost up to a cap of US\$3m.

Exploration well

The Titicaca Basin has a proven source for the hydrocarbons both gas and oil in Block 105 Peru having sourced the Pirin oil field which produced in the 1900's. Oil seeps at the surface have been sampled over the block further proving the extent and presence of a working hydrocarbon/oil system. Large-scale reservoirs are interpreted from existing drilling creating along with the large-scale structures attractive resource potential.





ASX ANNOUNCEMENT

16 September 2015

About Union Group

Union Group is an active investor in oil and gas projects in South America and in particular in Peru. Union Group is a privately held firm investing in underdeveloped natural resources in the high growth Latin American economies.

www.uniongrp.com

For further updates refer to the website or contact the Managing Director for Antilles, Mr David Ormerod, on (03) 9674 0413.