



ASX Release – 6 November 2014

UIL ENERGY DEBUTS WITH EXTENSIVE PERTH BASIN POSITION AND PROVEN MANAGEMENT

- Management and Board with strong track record of creating more than \$4 billion in shareholder value in energy based transactions
- Dominant acreage position near a recent major gas discovery in the underexplored Perth Basin
- Discounted valuation of \$30/acre versus Citi Research of \$200/acre¹
- High equity positions and operator of all permits

UIL Energy Ltd (ASX: UIL) has today listed on the ASX with a well-recognised Board and management team including former Bow Energy CEO John De Stefani and Arrow Energy founder Stephen Bizzell. De Stefani was at the helm of Bow Energy when it sold to Shell and PetroChina for A\$535 million at a takeover price of \$1.52, a 660% premium to the company's IPO price. Bizzell helped steer Arrow Energy's growth from a junior explorer to a large integrated energy company and market capitalisation growth from \$10 million to \$3.5 billion in less than ten years, delivering a takeover price of \$4.70 per share, a 2,250% premium to the IPO price.

UIL Energy is focused on unconventional and conventional plays in Western Australia's onshore Perth and Canning Basins where the company has secured close to 18,000km² of exploration acreage.

The recent technical success enjoyed by several Perth Basin operators has increased enterprise valuations with leading institution Citi Research recently placing a valuation on Perth Basin tenements of A\$200/acre¹, a valuation considerably below Cooper Basin multiples which have exceeded A\$850/acre¹. At listing, UIL Energy will have an implied valuation of under A\$30/acre offering investors considerable upside in a producing basin.

Managing Director De Stefani was pleased to see that investors were backing the company's view that the Perth Basin would be the next hotspot for onshore oil and gas developments, "We are excited about the developments that are now occurring in the Perth Basin and believe that UIL Energy will benefit significantly having one of the largest acreage positions in the Basin."

Executive Chairman, Simon Hickey said, "Western Australia is the largest domestic gas market in Australia. Our permits are close to existing infrastructure paving the way for early commercialisation and easier delivery of product to market."

In September, AWE announced it had uncovered potentially the largest conventional onshore gas discovery in Western Australia in over 50 years following drilling success at its Senecio field, next door to UIL Energy's permits in the Perth Basin. A number of other companies including industry heavyweights Origin Energy and Alcoa, the largest gas user in Western Australia, are also exploring the Basin's potential.

The UIL Energy Offer, for 21 million shares at \$0.20 per share, raised \$4.2 million and gives a market capitalisation of \$21.6 million for the company. Bell Potter acted as Lead Manager to the IPO in conjunction with Corporate Advisor Bizzell Capital Partners. Simon Hickey, Executive Chairman, along with Mr De Stefani and Mr Bizzell have subscribed for substantial shareholdings in the company, collectively owning 35% at listing.

¹ Citi Research dated 18 September 2014
2014

Figure 1: Key Competitor Activity in Perth Basin

