



2 FOR 3 NON-RENOUNCEABLE ENTITLEMENT ISSUE

ENTITLEMENT ISSUE OFFER DOCUMENT

15 November 2016

If you are an Eligible Shareholder, this is an important document that requires your immediate attention. It should be read in its entirety. If, after reading this document, you have any questions about the securities being offered under it or any other matter, you should contact your stockbroker, solicitor, accountant or other professional adviser.

IMPORTANT NOTICES

This Offer Document is dated 15 November 2016. This Entitlement Issue is being made without a prospectus in accordance with section 708AA of the Corporations Act and ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84. This Offer Document is not a prospectus or any other form of disclosure document regulated by the Corporations Act and has not been lodged with ASIC. Accordingly, this Offer Document does not contain all of the information which a prospective investor may require to make an informed decision whether to subscribe for New Shares and it does not contain all of the information which would otherwise be required by Australian law or any other law to be disclosed in a prospectus. Announcements made by ENB to ASX are available from the ASX website www.asx.com.au. The information in this Offer Document does not constitute a recommendation to acquire New Shares or financial product advice.

This Offer Document is important and should be read in its entirety before deciding whether to participate in the Entitlement Issue. This Offer Document has been prepared without taking into account the investment objectives, financial or taxation situation or particular needs of any Applicant. Before applying for New Shares, you should consider whether such an investment is appropriate to your particular needs, considering your individual risk profile for speculative investments, investment objectives and individual financial circumstances. If you are in any doubt about the Entitlement Issue or the contents of this Offer Document, you should consult your stockbroker, solicitor, accountant or other professional adviser without delay. You should note that the past Share price performance of the Company provides no guidance to its future Share price performance.

By returning an Entitlement and Acceptance Form or lodging an Entitlement and Acceptance Form with the Company's Share Registry or otherwise arranging for payment for your New Shares through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form, you acknowledge that you have received and read this Offer Document, you have acted in accordance with the terms of the Entitlement Issue detailed in this Offer Document, you agree to all of the terms and conditions as detailed in this Offer Document and you have made your own enquires and assessment as to the assets, liabilities, financial position, profit and losses and prospects of the Company and the rights attaching to New Shares.

Offering restrictions

This Offer Document has been prepared to comply with the requirements of the laws of Australia. It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of the Shares these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, no action has been taken to register this Offer Document in any jurisdiction outside Australia, New Zealand or Singapore, or to otherwise permit a public offering of Entitlements or Shares in any jurisdiction outside Australia, New Zealand or Singapore.

Persons resident outside Australia should consult their professional advisors as to whether governmental or other consents are required, or whether formalities need to be observed, to enable them to take up New Shares under the Entitlement Issue.

The Entitlement Issue is not being extended to any Shareholder whose registered address is outside of Australia, New Zealand or Singapore. Any failure to comply with foreign legal restrictions in connection with the Entitlement Issue may constitute a violation of applicable securities laws, and persons who receive this Offer Document should seek advice on and observe any such restrictions. This Offer Document does not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation.

ENB may (at its absolute discretion) extend the Offer to shareholders (as at the Record Date) in foreign jurisdictions subject to compliance with applicable laws.

Future performance and forward looking statements

Neither ENB nor any other person warrants or guarantees the future performance of the New Shares or any return on any investment made pursuant to the Entitlement Issue. The forward looking statements in this Offer Document are based on ENB's current expectations about future events. They are, however, subject to known

and unknown risks, uncertainties and assumptions, many of which are outside the control of ENB and its Directors that could cause actual results, performance or achievements to differ materially from future results, performance or achievements expressed or implied by the forward looking statements in this Offer Document. Investors should specifically refer to section 8, 'Risk factors', which refers to some but not all of the matters that may cause actual results to differ from the position stated in any forward looking statement in this Offer Document.

Definitions, currency and time

Definitions of certain terms used in this Offer Document are contained in section 10. All references to currency are to Australian dollars and all references to time are to AWST, unless otherwise indicated.

Governing law

This Offer Document, the Entitlement Issue and the contracts formed on acceptance of the Applications are governed by the laws applicable in Western Australia, Australia. Each Applicant submits to the exclusive jurisdiction of the courts of Western Australia, Australia.

Disclaimer

No person is authorised to give any information or to make any representation in connection with the Entitlement Issue which is not contained in this Offer Document. Any information or representation in connection with the Entitlement Issue not contained in the Offer Document may not be relied upon as having been authorised by the Company or any of its officers.

Enquiries

If you have any questions in relation to the Entitlement Issue, please contact your stockbroker, solicitor, accountant or financial adviser. If you have any queries about your Entitlement please contact the Company Secretary on the number below:

Barnaby Egerton-Warburton
Director
Tel: +61 (0)2 800 33 438

Privacy

As a Shareholder, ENB and the Share Registry have already collected certain personal information from you. If you apply for New Shares, ENB and the Share Registry may update your personal information or collect additional personal information. Such information will be used to assess your Application, service your needs as a Shareholder, provide facilities and services that you request and carry out appropriate administration. Company and tax law requires some of the information to be collected. If you do not provide the information requested, your Application may not be able to be processed efficiently, if at all.

ENB and the Share Registry may disclose your personal information for purposes related to your shareholding to their agents and service providers as authorised under the Privacy Act (such as authorised securities brokers, print service providers and mail houses). The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers and regulatory bodies (including the Australian Taxation Office).

Under the Privacy Act, you may request access to your personal information held by (or on behalf of) ENB or the Share Registry. If ENB's or the Share Registry's record of your personal information is incorrect or out of date, it is important that you contact the Share Registry so that your records can be corrected.

2 FOR 3 NON-RENOUNCEABLE ENTITLEMENT ISSUE – ENTITLEMENT ISSUE OFFER DOCUMENT

1. HIGHLIGHTS

The Board of Eneabba Gas Limited ABN 69 107 385 884 (“ENB” or “the Company”) is offering Eligible Shareholders the opportunity to subscribe for additional fully paid ordinary shares in the capital of the Company (**New Shares**). The offer is in the form of a non-renounceable entitlement issue with the following features:

- 2 for 3 non renounceable entitlement issue at \$0.004 per New Share to raise up to approximately \$802,612 before costs.
- The Offer is made to all registered holders of shares in the Company at the record date of 18 November 2016 whose registered address is in Australia, New Zealand or Singapore.

2. ENTITLEMENT ISSUE DETAILS

TERMS OF ENTITLEMENT ISSUE

The Board of the Company is pleased to announce the details of a non-renounceable entitlement issue to be made available to Eligible Shareholders to raise up to approximately \$802,612 before costs through the issue of up to approximately 200,652,875 new fully paid ordinary shares in the Company at an issue price of 0.4 cents per New Share.

Eligible Shareholders are invited to subscribe for New Shares under the Entitlement Issue on the basis of two New Shares for every three Shares held at 5pm (AWST) on the record date of 18 November 2016 at an issue price of 0.4 cents per New Share.

As at the Record Date, the Company will have on issue 300,979,312 Shares (assuming no Options are exercised prior to the Record Date). The Company expects that up to 200,652,875 Shares will be issued under the Offer.

Where the determination of the Entitlement of any Eligible Shareholder results in a fraction of a New Share, such fraction will be rounded up to the nearest whole New Share.

The Offer is not underwritten. Further details of the Shortfall Shares are detailed in Section 3.

Eligible Shareholders should note that the market price of Shares in ENB may rise or fall between the date of the Entitlement Issue and the date that any Shares are issued to you as a result of your acceptance of the Entitlement Issue. This means that the subscription price you pay for the Shares may exceed the market price of the Shares at the date of issue of the Shares. The Board recommends that you obtain your own financial advice in relation to the Entitlement Issue and consider price movements of the Shares in ENB prior to accepting the Entitlement Issue.

Investors who wish to take part in the Entitlement Issue who are not currently Shareholders may purchase Shares prior to the ex-entitlement date (17 November 2016).

NO ENTITLEMENT TRADING

The Entitlement Issue is non-renounceable, which means that you cannot transfer your right to subscribe for New Shares under the Entitlement Issue to anyone else. Any portion of your entitlement which is not taken up by the Closing Date will automatically lapse and will form part of the Shortfall Shares (see Section 3 for further details).

CHESS AND ISSUER SPONSORSHIP

The Company participates in the Clearing House Electronic Subregister System (**CHESS**). ASX Settlement Pty Ltd (**ASX Settlement**), a wholly-owned subsidiary of ASX, operates CHESS in accordance with the ASX Listing Rules and ASX Settlement Operating Rules. Under CHESS, Applicants will not receive a certificate but will receive a Transaction Confirmation Statement for their New Shares.

If you are broker sponsored, ASX Settlement will send you a CHESS statement. The CHESS statement will set out the number of New Shares issued to you under this Offer Document, and provide details of your holder identification number and the participant identification number of the sponsor. A CHESS allotment advice will be despatched from the Share Registry on 21 November 2016.

If you are registered on the Company sub-register, your statement will be despatched by the Share Registry on 21 November 2016 and will contain the number of New Shares issued to you under this Offer Document and your security holder reference number.

A CHESS statement or Company statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their Shareholding changes. Shareholders may request a statement at any other time. However, a charge may be incurred for additional statements.

ELIGIBILITY

Subject to the provision at the last paragraph of this sub heading, only Shareholders whose registered address is in Australia, New Zealand or Singapore as at the Record Date will be eligible to participate in the Entitlement Issue. Applications for New Shares by Eligible Shareholders can only be made on an original Entitlement and Acceptance Form to be sent with this document to all Shareholders on 21 November 2016. The Entitlement and Acceptance Form sets out an Eligible Shareholder's Entitlement to participate in the Entitlement Issue.

This Entitlement Issue does not constitute an offer or invitation to subscribe for New Shares in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or invitation or issue this Offer Document. No action has been taken to register or qualify the Entitlement Issue in any jurisdiction outside Australia, New Zealand or Singapore.

ENB may (at its absolute discretion) extend the Offer to certain institutional shareholders (as at the Record Date) in foreign jurisdictions subject to compliance with applicable laws.

3. ALLOCATION POLICY FOR SHORTFALL

A total of up to 200,652,875 New Shares will be offered under the Entitlement Issue to raise up to approximately \$802,612.

Any New Shares under the Entitlement Offer that are not applied for will form the Shortfall Shares. The offer to issue Shortfall Shares is a separate offer under this Offer Document (**Shortfall Offer**) and will remain open for up to two months following the Closing Date. Under this Offer Document, the Company offers to issue the Shortfall Shares to Eligible Shareholders who apply for additional New Shares out of the Shortfall as well as to other professional and sophisticated investors who are not current shareholders at the same price of 0.4 cents per New Share as that offered under the Entitlement Offer. The Shortfall Shares will have the same rights as the New Shares.

Eligible Shareholders may apply for Shortfall Shares by completing the relevant section of their Entitlement and Acceptance Form (refer to section 6 for further details). Other professional and sophisticated investors may also apply for Shortfall Shares by completing the Shortfall Application Form upon invitation from the Company (refer to section 6).

Shortfall Shares may be allocated to any Eligible Shareholder or to other professional and sophisticated investors who apply for Shortfall Shares under the Shortfall Offer, at the absolute discretion of the Directors.

Shortfall Shares will not be offered or issued to any Applicant if, in the view of the Directors, to do so would increase that Applicant's voting power in the Company above 19.9% or otherwise result in a breach of the Listing Rules, the Corporations Act or any other applicable law.

An Application for Shortfall Shares accompanied by payment of Application Monies does not guarantee the allotment of any Shortfall Shares. The Shortfall Shares will be allocated within three months after the Closing Date.

In relation to the Shortfall Offer, the Company reserves the right to issue to an Applicant a lesser number of Shortfall Shares than the number applied for, reject an Application or not proceed with the issuing of the Shortfall Shares or part thereof. All decisions regarding the allocation of Shortfall Shares made by the Directors will be final and binding on all Applicants. If the number of Shortfall Shares issued is less than the number applied for, surplus Application Monies will be refunded in full. Interest will not be paid on Application Monies refunded.

4. KEY TERMS OF ENTITLEMENT ISSUE

The Company is undertaking the Entitlement Issue, as outlined in this Offer Document to raise up to approximately \$802,612 being the issue of 200,652,875 New Shares on the basis of two Shares for every three Shares held at the Record Date at 0.4 cents each.

CAPITAL STRUCTURE FOLLOWING THE ENTITLEMENT ISSUE

Following completion of the Entitlement Issue the Company will have the following Shares on issue (assuming all entitlements are accepted and the Shortfall Shares are otherwise placed):

Event	Ordinary Shares
Existing	300,979,312 ⁽¹⁾
Entitlement Issue	200,652,875
Total on Issue following Entitlement Issue*	501,632,187

1. Assumes no Options are exercised prior to the Record Date.

The Company also has the following Options on issue.

Number	Class
14,700,000	Options exercisable at 2 cents on or before 30 June 2017 (unlisted)
7,000,000	Options exercisable at 6 cents on or before 16 November 2018 (unlisted)
2,000,000	Options exercisable at 6 cents on or before 16 November 2018, vesting upon various milestones (unlisted)
7,000,000	Options exercisable at 8 cents on or before 16 November 2018 (unlisted)
2,000,000	Options exercisable at 8 cents on or before 16 November 2018, vesting upon various milestones (unlisted)

To participate in the Entitlement Issue, the holders of Options must exercise their Options and be registered as an Eligible Shareholder prior to the Record Date.

5. ENTITLEMENT ISSUE TIMETABLE

EVENT	DATE
Announce pro rata issue, Lodge Offer document, apply for quotation (Appendix 3B) and lodge s708AA notice	15 November 2016
Send Notice to Optionholders and Shareholders containing information required by Appendix 3B	16 November 2016
Shares commence trading on an Ex Entitlement basis	17 November 2016
Record Date to identify shareholders entitled to participate in the issue	18 November 2016
Send Offer Document and entitlement form to shareholders	21 November 2016
Offer opening date	21 November 2016
Offer closing date	5 December 2016 (2pm AWST)
Shares quoted on a deferred settlement basis	6 December 2016
Notify ASX of under-subscriptions	8 December 2016

Anticipated Issue Date and Statement Despatch date	9 December 2016
Allotment of Shortfall (on or before)	3 March 2017

These dates are subject to change and are indicative only. ENB reserves the right to amend this Timetable including, subject to the Corporations Act and the Listing Rules, to extend the Closing Date, and ENB reserves the right to withdraw the Entitlement Issue at any time before the issue of New Shares in its absolute discretion.

Application will be made to the ASX for official quotation of the New Shares offered pursuant to this Offer Document. If permission is not granted by ASX for the Official Quotation of the New Shares to be issued under the Entitlement Issue, the Company will repay, as soon as practicable, without interest, all application monies received pursuant to the Entitlement Issue.

The fact that ASX may grant official quotation to the New Shares is not to be taken in any way as an indication of the merits of the Company or the New Shares now offered for subscription.

6. WHAT YOU NEED TO DO

YOUR ENTITLEMENT

The number of New Shares to which Eligible Shareholders are entitled is shown on the individually prepared and serially numbered Entitlement and Acceptance Form to be dispatched on 21 November 2016. Eligible Shareholders may:

- take up all of their Entitlement in full;
- take up part of their Entitlement and allow the balance to lapse;
- accept all of your Entitlement and apply for New Shares in excess of your Entitlement by applying for Shortfall Shares; or
- allow all of their Entitlement to lapse.

Shareholders that are not Eligible Shareholders may not take any of the steps set out above.

The Company reserves the right to reject any Entitlement and Acceptance Form that is not correctly completed or that is received after the Closing Date. Unless you apply to participate in the Shortfall Offer (see section 3 for further details), an Application for your Entitlement may be for any number of New Shares but must not exceed your Entitlement as shown on the Form. If it does, and you have not applied to participate in the Shortfall Offer, your Application will be deemed to be for your full Entitlement and any balance of Application Monies will be returned to you (without interest).

By completing an Entitlement and Acceptance Form or paying Application Monies through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form, Eligible Shareholders will be deemed to have made the representations, warranties and agreements set out in the Entitlement and Acceptance Form. Acceptance of a completed Entitlement and Acceptance Form by the Company creates a legally binding contract between the Applicant and the Company for the number of Shares accepted or deemed to be accepted by the Applicant. The Entitlement and Acceptance Form does not need to be signed by the Applicant to be legally binding.

IF YOU WISH TO APPLY FOR ALL OF YOUR ENTITLEMENT

If you wish to take up the Entitlement in full, complete the Entitlement and Acceptance Form, in accordance with the instructions set out therein and post your completed Entitlement and Acceptance Form, together with your Application Monies, (see Payment section below) to the Share Registry so that it is received no later than **2.00pm AWST on 5 December 2016** at the address set out below:

Mailing Address:-
Eneabba Gas Limited
C/- Security Transfer Registrars
PO Box 535
Applecross WA 6953

Hand Delivery:-
Security Transfer Registrars
770 Canning Highway
Applecross WA 6153

You may also take up all of your Entitlement by arranging for payment of the Application Monies through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form. If payment is being made through BPAY®, you do not need to return the Entitlement and Acceptance Form. Your payment must be received by no later than 2.00pm AWST on the Closing Date (being 5 December 2016).

The Company shall not be responsible for any postal or delivery delays or delay in receipt of the BPAY® payment.

IF YOU WISH TO APPLY FOR ALL OF YOUR ENTITLEMENT AND APPLY FOR NEW SHARES IN EXCESS OF YOUR ENTITLEMENT BY APPLYING FOR SHORTFALL SHARES

If you wish to take up the Entitlement in full and apply for New Shares in excess of your entitlement from the Shortfall Shares, complete the Entitlement and Acceptance Form, in accordance with the instructions set out therein and post your completed Entitlement and Acceptance Form, together with your Application Monies, (see Payment section below) to the Share Registry so that it is received no later than **2.00pm AWST on the 5 December 2016** at the address set out below:

Mailing Address:-
Eneabba Gas Limited
C/- Security Transfer Registrars
PO Box 535
Applecross WA 6953

Hand Delivery:-
Security Transfer Registrars
770 Canning Highway
Applecross WA 6153

You may also take up all of your Entitlement and apply for additional New Shares from the Shortfall Shares by arranging for payment of the Application Monies through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form. If payment is being made through BPAY®, you do not need to return the Entitlement and Acceptance Form. Your payment must be received by no later than 2.00pm AWST on the Closing Date (being 5 December 2016).

The Company shall not be responsible for any postal or delivery delays or delay in receipt of the BPAY® payment.

IF YOU WISH TO APPLY FOR PART OF YOUR ENTITLEMENT AND ALLOW THE BALANCE TO LAPSE

If you wish to take up part of the Entitlement and allow the balance to lapse, complete the Entitlement and Acceptance Form, or complete a BPAY® payment, for the number of New Shares you wish to take up (at 0.4 cents per New Share) and follow the steps set out in the section above with respect to accepting your Entitlement in full. If you take no further action, the balance of your Entitlement will lapse and become Shortfall Shares.

IF YOU WISH TO ALLOW ALL OF YOUR ENTITLEMENT TO LAPSE

If you do not wish to accept any part of the Entitlement, you do not need to take any further action and your Entitlement will automatically lapse and become Shortfall Shares. You will receive no payment for your lapsed Entitlement.

You cannot sell or transfer your Entitlement to another person. Your holding of existing Shares will, however, be diluted because the issue of New Shares will increase the total number of Shares on issue.

PAYMENT

The Issue Price for the New Shares is payable in full on application by a payment of 0.4 cents per New Share. You can make payment of the Application in two ways, either:

- the Entitlement and Acceptance Form must be accompanied by a cheque for the Application Monies. Cheques must be drawn in Australian currency on an Australian bank account and made payable to 'Eneabba Gas Limited Entitlement Issue' and crossed 'Not Negotiable'; or
- you may arrange for payment of the Application Monies through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form. If you make payment via BPAY, you do not need to return the Entitlement and Acceptance Form.

Completed Entitlement and Acceptance Forms or payment by BPAY® must be received no later than 5:00pm (AWST) on the Closing Date. Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment and it is the responsibility of the Applicant to ensure that funds are submitted through BPAY® by the date and time mentioned above. To ensure you receive your Entitlement in respect of that holding, you must use the customer reference number shown on your personalised Entitlement and Acceptance Form when paying for any New Shares that you wish to apply for in respect of that holding.

Eligible Shareholders must not forward cash by mail. Receipts for payment will not be issued.

7. USE OF FUNDS

The capital raised under the Entitlement Issue is anticipated to be applied by the Company for the maintenance and development of the Company's existing assets, for general working capital and for the assessment and pursuit of new business opportunities and potential acquisitions.

8. RISK FACTORS

Introduction

The business activities of the Company are subject to various risks that may impact on the future performance of the Company. Some of these risks can be mitigated by the use of safeguards and appropriate systems and controls, but some are outside the control of the Company and cannot be mitigated. There are a number of risk factors that investors should consider and seek independent advice on, before deciding whether or not to invest in Shares. The principal risk factors include, but are not limited to, the following:

Development Capital and Future Capital Requirements

Whilst the Company continues to examine avenues for the development of Centauri-1 power station, it also continues to incur expenditure on corporate and administrative overhead costs. Any decision to go into development of the Centauri-1 power station would see the company would require the Company to seek development capital elsewhere, through equity, debt or joint venture financing, to support the evaluation and development of this project.

The Company's growth through expansion of its current business will require substantial expenditures. The Company's cash reserves together with funds raised from the Entitlement Issue will not be sufficient to successfully achieve all the objectives of the Company's overall business strategy and it will be required to raise additional capital.

If the Company is unable to use debt or equity to fund expansion after the substantial exhaustion of the net proceeds of the Entitlement Issue, existing working capital and funds generated from operations, there can be no assurance that the Company will have sufficient capital resources for that purpose, or other purposes, or that it will be able to obtain additional resources on terms acceptable to the Company or at all.

Any additional equity financing may be dilutive to the Company's existing Shareholders and any debt financing if available, may involve restrictive covenants, which limit the Company's operations and business strategy.

The Company's failure to raise capital if and when needed could delay or suspend the Company's business strategy and could have a material adverse effect on the Company's activities.

Business Risks for Power Provision

The establishment, viability and profitability of the Company as a power provider will be dependent on a number of factors, including but not limited to, the following:

- confirmation of definite take or pay contracts for electricity supply with iron ore producers and other customers in the Mid West region of Western Australia;
- existing and new power providers in competition with the Company;
- the proposed onset of a carbon scheme in 2010 and the outcome with regards to gas fired generators' competitive advantage when compared to dirtier coal fired generators;
- environmental management issues with which the Company may be required to comply from time to time;
- unforeseen major failures, delays, or breakdowns in the development and construction of the proposed 168 MW Centauri-1 power station, engagement with the SWIS network and the procurement of gas to drive the turbines; and
- shortages or increases in the cost of consumables, spare parts, plant and equipment and labour.

Technology and Intellectual Property Risks

Any development by the Company will likely involve the use of the intellectual property and technology of third party technology providers. There is no guarantee that the Company will be able to source such technology and intellectual property on favourable terms or at all.

In addition, the ability of technology providers and intellectual property owners to protect their intellectual property rights involves complex legal, scientific and factual questions and uncertainties. Intellectual property rights owned by those entities may be challenged by their competitors or other third parties. The success of an action may delay or prevent the Company from undertaking its business plan.

Economic Risks

Economic factors beyond the control of the Company, such as changes in commodity prices, interest rates, inflation, exchange rates and taxation, may negatively impact on the revenue and profitability of the Company.

Share Market Conditions

There are general risks associated with any investment in the share market. The market price of the Shares can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

Exchange Rate Risks

Exchange rates between currencies are affected by numerous factors beyond the control of the Company. These factors include expectations regarding inflation, interest rates demand for, and supply of commodities as well as general global economic conditions.

In the event that the Company achieves success in the development of the 168MW gas-fired Centauri-1 power station on Company-owned land 8km east of Dongara in the Mid-West of Western Australia a proportion of the development costs will be in denominated in United States dollars.

The exchange rate between Australian dollars and United States dollars has been increasingly volatile. Adverse movements in the exchange rate between Australian dollars and United States may materially increase the cost of development of the Centauri 1 power station and have a material adverse effect on the Company's business, financial condition, results of operations and cashflows.

Changes in Legislation and Government Regulation

Changes to legislation or government policy in Australia (in addition to any other jurisdictions that may be assessed by the Company in the future), including changes to the taxation system, may affect future earnings, the value of the Company's assets and the relative attractiveness of investing in the Company. The Company cannot predict how existing, or future laws and regulations may be interpreted by enforcement agencies or court rulings, whether additional laws and regulations will be adopted, or the effect such changes may have on the Company's business or financial condition.

New Projects and Acquisitions

The Company will actively pursue and assess other new business opportunities in the energy sector as well as other opportunities. These new business opportunities may take the form of direct project acquisitions, joint ventures, farm-ins, acquisition of tenements/permits, or direct equity participation.

The acquisition of projects (whether completed or not) may require the payment of monies (as a deposit and/or exclusivity fee) after only limited due diligence or prior to the completion of comprehensive due diligence. There can be no guarantee that any proposed acquisition will be completed or be successful. If the proposed acquisition is not completed, monies advanced may not be recoverable, which may have a material adverse effect on the Company.

If an acquisition is completed, the Directors will need to reassess at that time, the funding allocated to current projects and new projects, which may result in the Company reallocating funds from other projects and/or raising additional capital (if available).

Furthermore, notwithstanding that an acquisition may proceed upon the completion of due diligence, the usual risks associated with the new project/business activities will remain.

Reliance on Key Management

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

Investment Speculative

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the New Shares offered under this Offer Document.

Therefore, the New Shares to be issued pursuant to this Offer Document carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those New Shares.

Potential investors should consider that the investment in the Company is highly speculative and should consult their professional advisers before deciding whether to apply for New Shares pursuant to this Offer Document.

9. ADDITIONAL INFORMATION

NO UNDERWRITING

The Entitlement Issue is not underwritten.

TAX

The taxation consequences of any investment in the New Shares will depend on the investor's particular circumstances. It is the responsibility of Eligible Shareholders to make their own enquiries concerning the

taxation consequences of an investment in ENB. The Company, its advisers and its officers do not accept any responsibility or liability for any taxation consequences to Shareholders. If you are in doubt as to the course you should follow, you should seek professional advice from your accountant, financial adviser, lawyer or other professional adviser.

CONTINUOUS DISCLOSURE

ENB is a disclosing entity for the purposes of the Corporations Act. As such, it is subject to regular reporting and disclosure obligations under the Corporations Act and the Listing Rules. These disclosure obligations require ENB to disclose to ASX any information that a reasonable person would expect to have a material effect on the price or value of the securities of ENB.

Copies of documents lodged with ASIC in relation to ENB may be obtained from, or inspected at, an office of ASIC.

The Entitlement Issue is being made to Eligible Shareholders without disclosure to investors pursuant to Section 708AA of the Corporations Act. The Company filed a notice with ASX on 15 November 2016 in accordance with section 708AA with respect to the Entitlement Issue.

10. DEFINED TERMS

AWST means Australian Western Standard Time.

Applicant means an Eligible Shareholder who has applied to subscribe for New Shares by submitting an Entitlement and Acceptance Form or arranging for payment through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form.

Application means the submission of an Entitlement and Acceptance Form accompanied by the relevant Application Monies or arranging for payment of the relevant Application Monies through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form.

Application Monies means the aggregate amount of money payable for the New Shares applied for in a duly completed Entitlement and Acceptance Form or through BPAY®.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited ACN 008 624 691.

Business Day has the same meaning as in the Listing Rules.

Closing Date means 5 December 2016.

Company or **ENB** means Eneabba Gas Limited (ABN 69 107 385 884).

Corporations Act means the Corporations Act 2001 (Cth).

Directors means the directors of the Company.

Eligible Shareholder means a Shareholder as at the Record Date who is not a Non-participating Shareholder.

Entitlement means the entitlement to subscribe for New Shares pursuant to the Entitlement Issue.

Entitlement Issue means a pro rata non-renounceable offer to Eligible Shareholders to subscribe for New Shares on the basis of one New Share for every two Shares of which the Eligible Shareholder is the registered holder as at 5.00pm AWST on the Record Date at an issue price of 0.4 cents each per New Share pursuant to this Offer Document.

Entitlement and Acceptance Form means the Entitlement and Acceptance Form accompanying this Offer.

Issue Price means 0.4 cents each per New Share.

Listing Rules means the official listing rules of ASX.

New Shares means Shares to be issued under the Entitlement Issue.

Non-participating Shareholder means a Shareholder as at the Record Date whose registered address is not situated in Australia, New Zealand or Singapore.

Offer means the offer of New Shares pursuant to this Offer Document.

Opening Date means 21 November 2016.

Option means an option to acquire a Share.

Privacy Act means the Privacy Act 1988 (Cth).

Record Date means 5.00pm AWST on 18 November 2016.

Shares means fully paid ordinary shares in the capital of the Company.

Share Registry means Security Transfer Registrars Pty Ltd.

Shareholders means holders of Shares from time to time.

Shortfall Offer has the meaning set out in Section 3 of this Offer Document.

Shortfall Shares means those New Shares for which valid Applications have not been received by the Closing Date.

Tenements means the current petroleum exploration tenements held by the Company.

Timetable means the indicative timetable set out in Section 5 of this Offer Document.