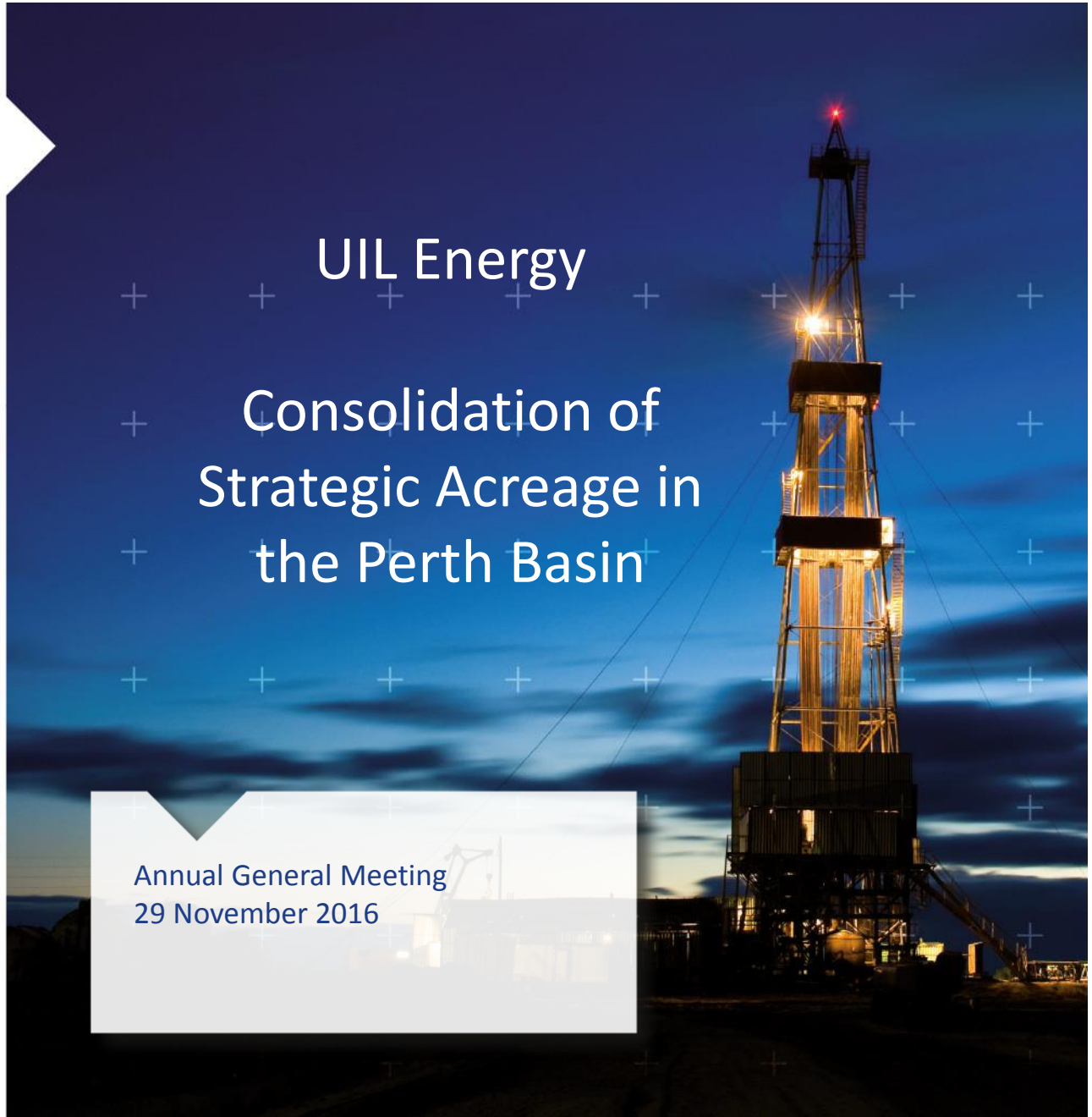




UIL Energy

# Consolidation of Strategic Acreage in the Perth Basin

Annual General Meeting  
29 November 2016



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# Experienced Board – track record



**Garry Marsden**  
Non-Executive Director



**Simon Hickey**  
Executive Chairman



**Keith Skipper**  
Non-Executive Director



**Stephen Bizzell**  
Non-Executive Director



**John De Stefani**  
Managing Director

- ✓ Welcome addition of Garry Marsden following the Eneabba transaction
- ✓ Track record for delivering significant shareholder value
- ✓ Significant investment by Directors
- ✓ Extensive experience building petroleum and resource production companies

# Perth Basin Fundamentals Remain Strong



- ✓ While the oil and gas sector continues to be up against challenging times, the worst seems to be over with oil price stabilizing off previous lows – however volatility certainly remains
- ✓ Perth Basin fundamentals remain strong:
  - Domestic gas market not linked to oil
  - Supply gap opening with NW Shelf reducing domestic supply
  - Strong demand for long term gas supply
  - Gas demand from new WA projects starting to emerge e.g. Chinese Lithium expansion project
  - Perth Basin has a proven commercially productive petroleum system
- ✓ UIL Energy has over 700,000 acres secured in the sought-after Perth Basin
  - with potential and a significant size to interest major players, and
  - a strategic position not easily replicated

# 2016 Achievements



- ✓ Acquired permits from Eneabba Gas including the highly prospective Ocean Hill project
  - Initiated planning efforts on the Ocean Hill prospect that includes approvals for drilling of the Ocean Hill #2 well and the acquisition of a 3D seismic survey covering up to 250km<sup>2</sup> over the Ocean Hill permit.
- ✓ Walyering project area farm-out for Bombora to fund \$2.5 million for a maximum 100km<sup>2</sup> 3D seismic survey
- ✓ Recently completed successful capital raising
  - Raised approx. \$1.39m with new investors coming in via the placement
  - Enables the company to progress efforts to develop two drill ready locations in 2017
- ✓ Continued to update exploration leads with new technical information
- ✓ Increased broker support through Hartley's mandate and Taylor Collison research

# UIL Energy - Impressive Perth Basin Holding

- ✓ UIL Energy's footprint over 700,000 acres
- ✓ One of the largest contiguous holdings in this highly prospective region
- ✓ 100% ownership of all permits providing great flexibility and strategic value

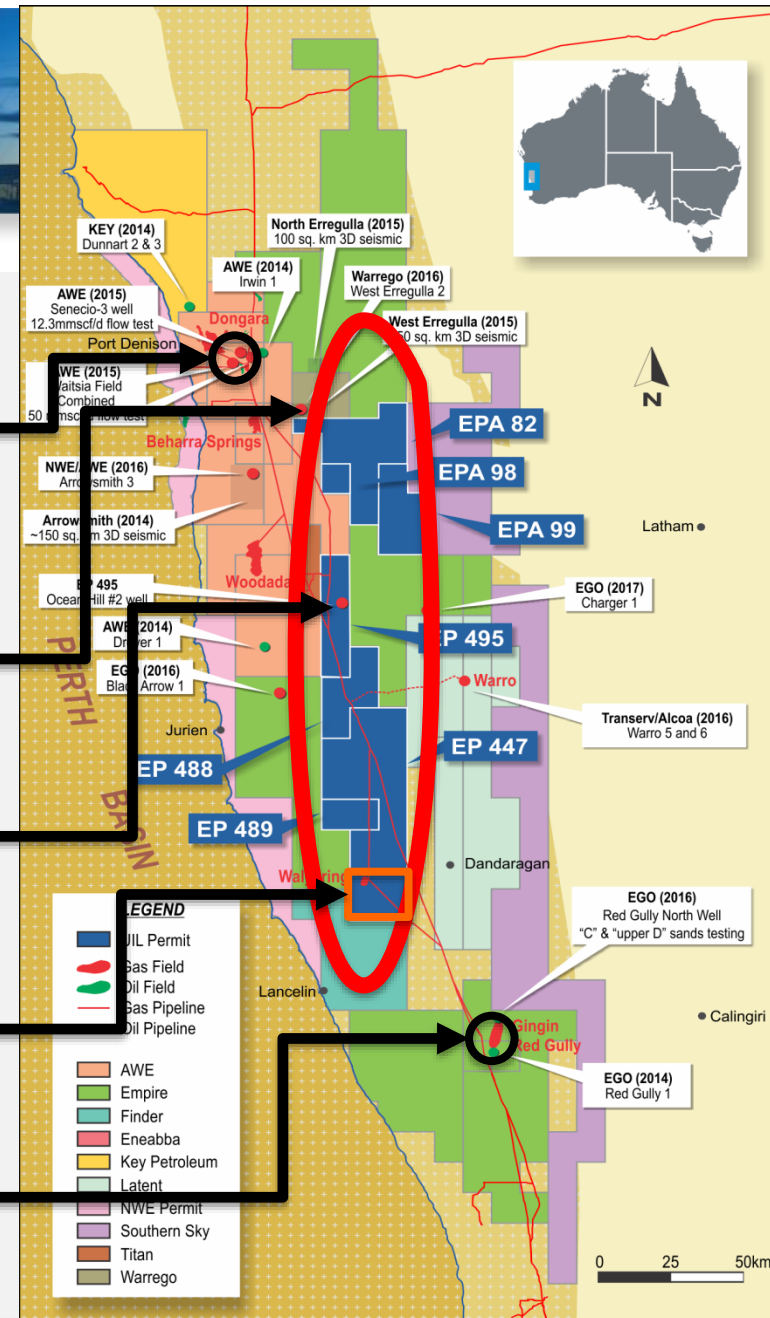
Largest onshore gas discovery in WA since 1960's by AWE.  
Latest well ~50 MMscf/d combined from two zones

Warrego drilling adjacent to UIL's northern permits

UIL started 3D seismic and Ocean Hill #2 drilling approvals

Bombora farmin funding \$2.5 million for 3D seismic survey to earn 70%

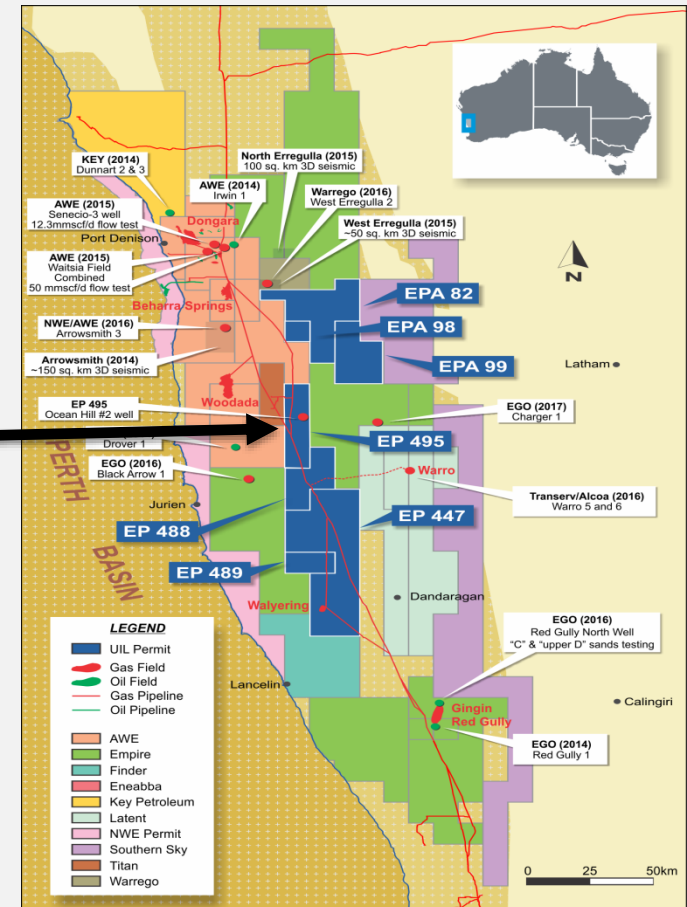
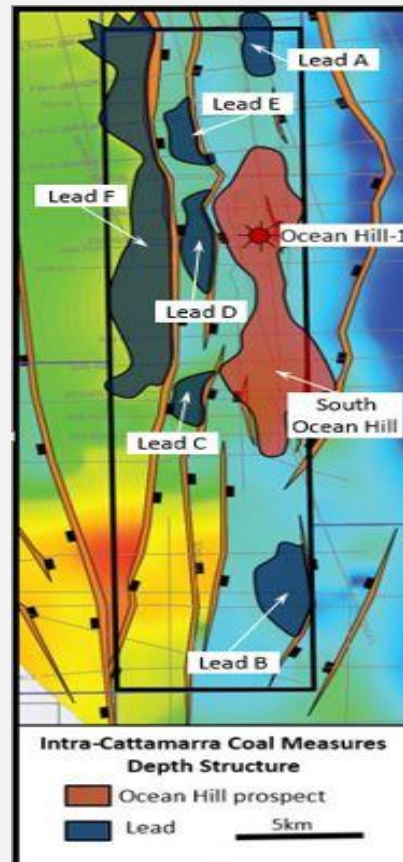
Empire's Red Gully North – remediation works planned by end of year



# Ocean Hill Prospect



- ✓ Ocean Hill discovery targeting proven gas productive zones in the Jurassic (Cattamarra Coal Measures) similar to the Gingin/Red Gully Gas Field
- ✓ Ocean Hill #1 encountered over 800 metres of net pay and flowed 700,000 scf/d
- ✓ Independent 2C contingent resource of 360 Bcf\*
- ✓ UIL started preparation for 3D seismic and Ocean Hill #2 well approvals

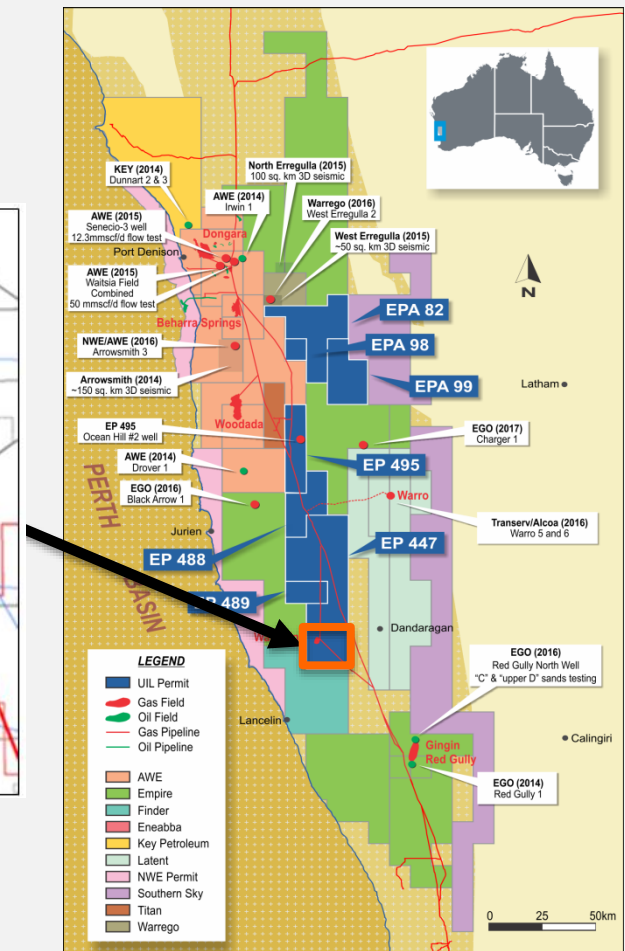
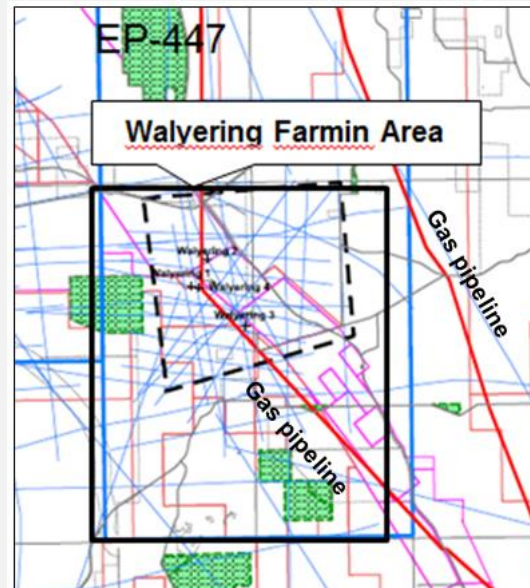


\* ASX announcement by Eneabba dated 27 November 2015 making reference to the ASX Announcement by Greenrock Energy Limited [ASX: GRK] dated 4 October 2013 "Independent Resource Valuation Ocean Hill Block".

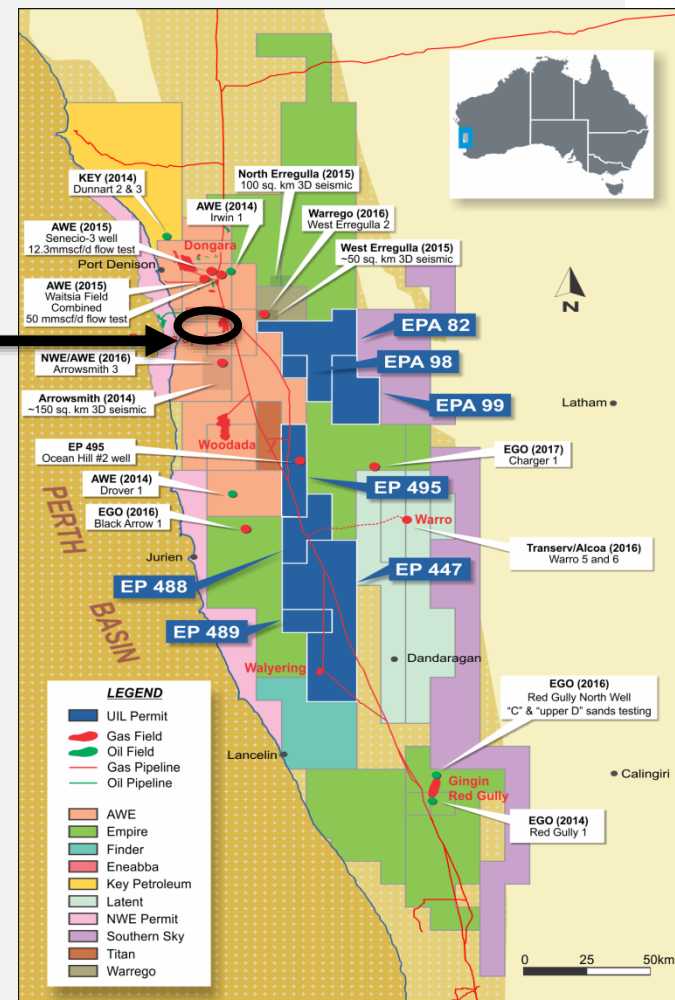
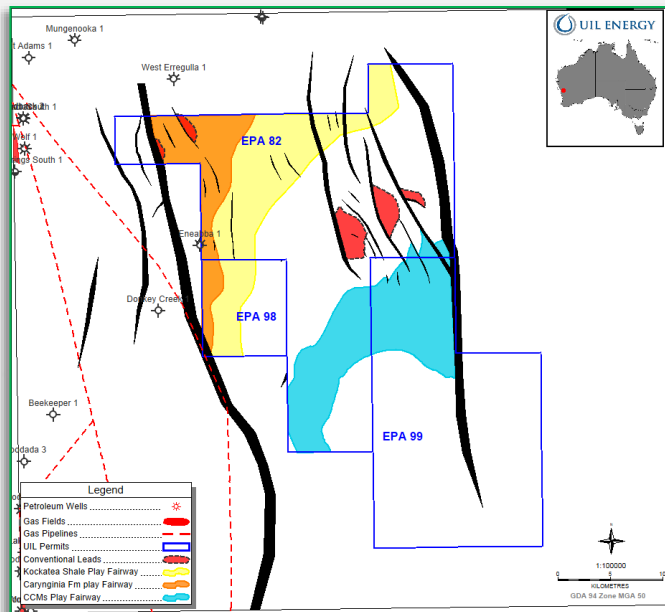
# Walpyering Farmin for 3D seismic program



- ✓ Bombora Natural Energy to farm into 4 southern blocks within EP447
- ✓ Bombora to fund \$2.5 million for a maximum 100km<sup>2</sup> 3D seismic survey and earn a 70% working interest in the four graticular blocks
- ✓ Focus on previously discovered Walpyering Gas Field, where 3 of 4 historical wells encountered gas within multiple Jurassic age sands, with the best-tested unstimulated zone flowing initially at 13.5 MM cf/d
- ✓ Planning for environmental and ecological field works underway



# Northern Perth Prospects

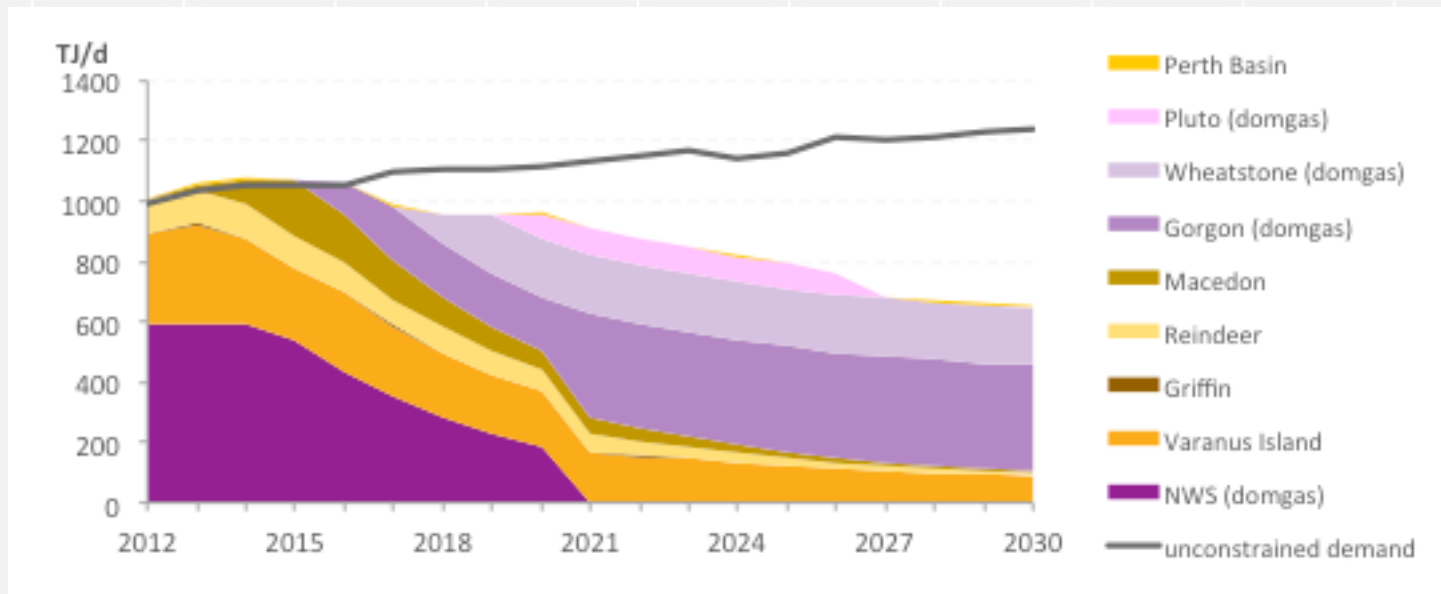


- ✓ Three permits adjacent to Warrego's owned Erregulla prospect where Warrego scheduled to drill during 2017
- ✓ North-western flank of permits have potential for key reservoir intervals similar to AWE's Waitsia discovery. Depths of these reservoir's to be confirmed.
- ✓ Progressing work required for the granting of these permits

# A Declining Gas Production Profile



- NWSJV (Woodside operator) is moving towards the point where its gas reserves are depleted, meaning that its ability to extend its current LNG and domgas contracts will be limited
- ACIL Allen believes NWSJV domgas supply will be exhausted by the early 2020s



Source: ACIL Allen Consulting

## Next Round of Activity



Perth Basin has attractive projects given the significant drilling success, the existing infrastructure, the need for domestic gas and robust gas prices (not linked to oil)

Upcoming third party activity:-

- ✓ Origin sale of Perth Basin assets – expected to command strong valuation
- ✓ AWE's Waitsia project expansion and further development through 2016/2017
- ✓ Warrego drilling adjacent to UIL Energy's northern permits in 2017

UIL Energy activity aimed at progressing efforts to develop two drill-ready locations in 2017

- ✓ Progress 3D seismic and well approvals over the Ocean Hill prospect and the Walyering Farmin Area by Bombora
- ✓ Finalise approvals for 2D seismic over central permits
- ✓ Continue to pursue further consolidation and investment opportunities in the Basin
- ✓ Continue to progress joint venture opportunities for investment in UIL Energy's permits