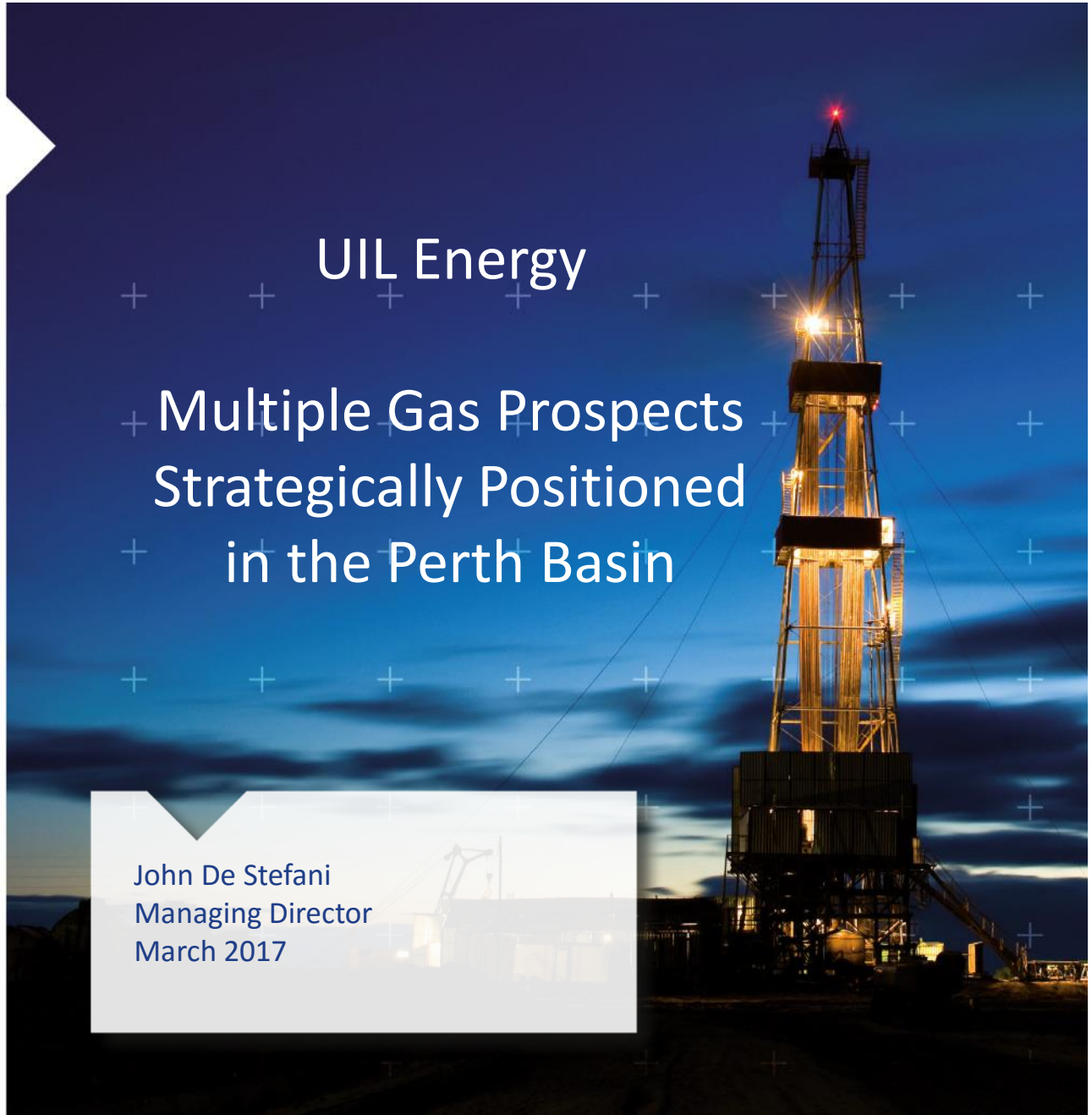




UIL Energy

Multiple Gas Prospects Strategically Positioned in the Perth Basin

John De Stefani
Managing Director
March 2017



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- ④ Reported contingent and prospective resources are in accordance with the SPE Reserves Auditing Standards and the SPE-PRMS guidelines and are based on reports compiled by DeGolyer and MacNaughton on EP495 and by Saitta Petroleum Consultants on the Coomallo East Prospect located across EP488 and EP447.
- ④ **“Contingent Resources”** are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations, but the applied project(s) are not yet considered mature enough for commercial development due to one or more contingencies. Contingent Resources may include, for example, projects for which there are currently no viable markets, or where commercial recovery is dependent on technology under development, or where evaluation of the accumulation is insufficient to clearly assess commerciality.
- ④ **“Prospective Resources”** are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective Resources have both an associated chance of discovery and a chance of development.

UIL Energy Corporate Structure



Key Metrics

- ✓ ASX code: UIL
- ✓ Approx 190 million shares on issue
- ✓ 35 million convertible preference shares convertible to ordinary shares post drilling Ocean Hill #2
- ✓ Tight register with Directors ownership ~25%

Valuation Metrics

- ✓ Current market capitalisation of \$8 million (at 4.2c)
- ✓ Highly prospective acreage of ~700,000 acres in Perth Basin
- ✓ Current valuation for UIL's Perth Basin permits at a significant discount to Perth Basin peer group
- ✓ WA opportunities can certainly slip under the radar eg bids for Origin's Perth gas assets and AWE rejecting takeover offer
- ✓ Given market dynamics, UIL has tremendous upside given its multiple gas projects

Experienced Board – track record



John De Stefani
Managing Director



Simon Hickey
Executive Chairman



Keith Skipper
Non-Executive Director



Stephen Bizzell
Non-Executive Director



Garry Marsden
Non-Executive Director

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

Inevitability of Perth Basin Upside



- ✓ Perth Basin fundamentals are strong:
 - Perth Basin has a proven commercially productive petroleum system
 - Supply gap opening with NW Shelf reducing domestic supply
 - Strong demand for long term gas supply (eg Alcoa/Alinta)
 - Infrastructure close by for easy commercialisation
 - Increased gas demand from new WA projects starting to emerge e.g. Chinese Lithium expansion project and large mining operations converting from diesel to gas
- ✓ UIL Energy has over 700,000 acres secured in the sought-after Perth Basin
 - redefining gas proven prospects in readiness for drilling
 - with potential and a significant size to interest major players
 - a strategic position that can not be replicated

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

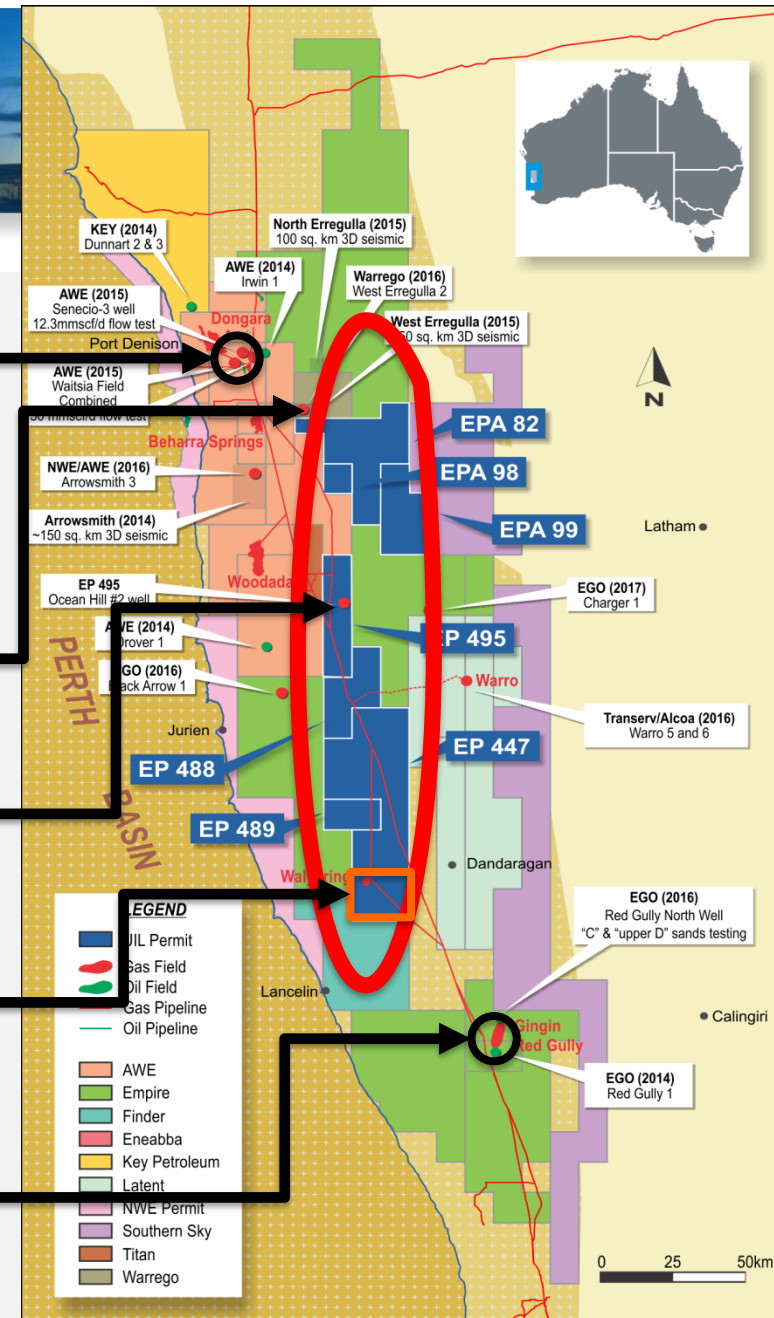
Largest onshore gas discovery in WA since 1960's by AWE.
Latest well ~50 MMscf/d combined from two zones

Warrego drilling adjacent to UIL's northern permits

Ocean Hill #2 drilling and 3D seismic approvals underway

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

Empire's Red Gully North – light oil discovery

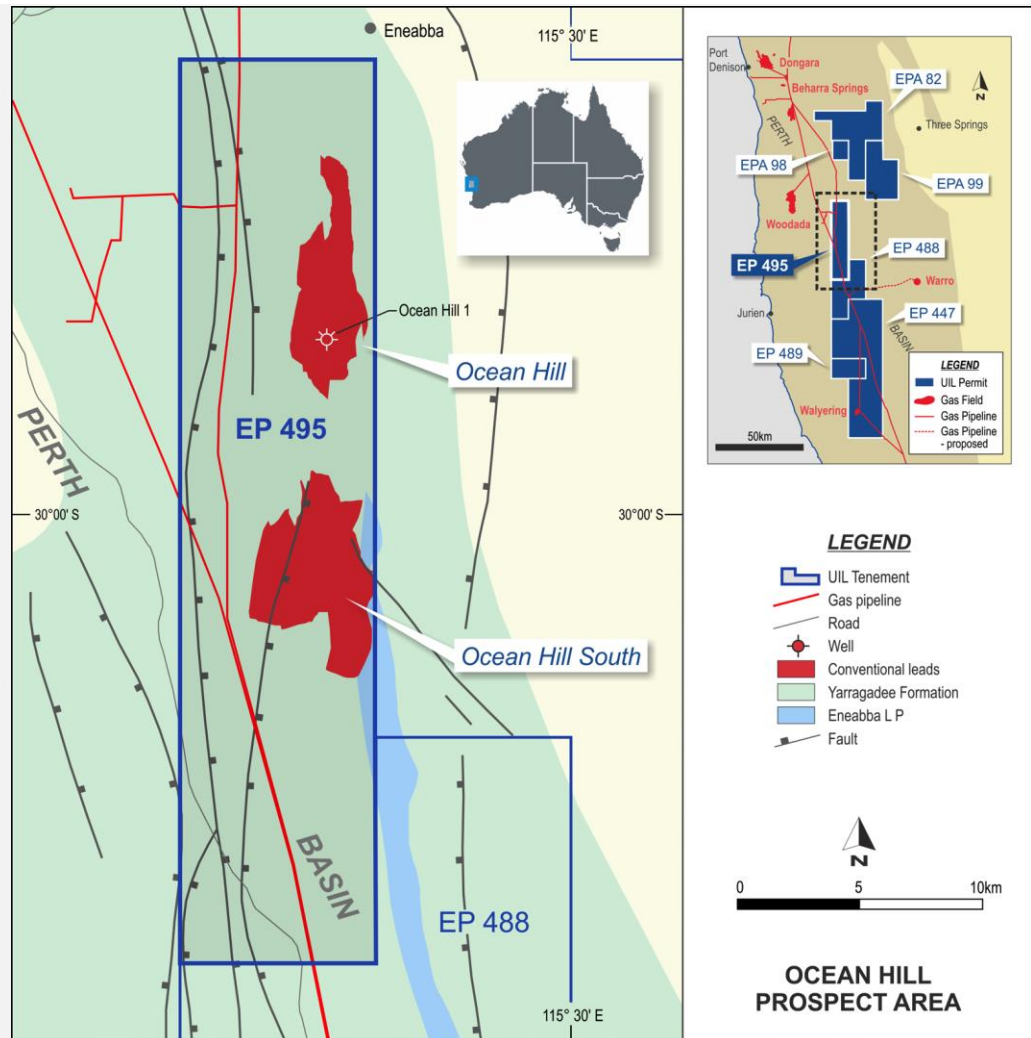


Ocean Hill Prospect



- ✓ 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 700,000 scf/d
- ✓ Independent 2C Contingent Resource of 360 BCF* (excludes Ocean Hill South)
- ✓ UIL started preparation for Ocean Hill #2 well and 3D seismic approvals

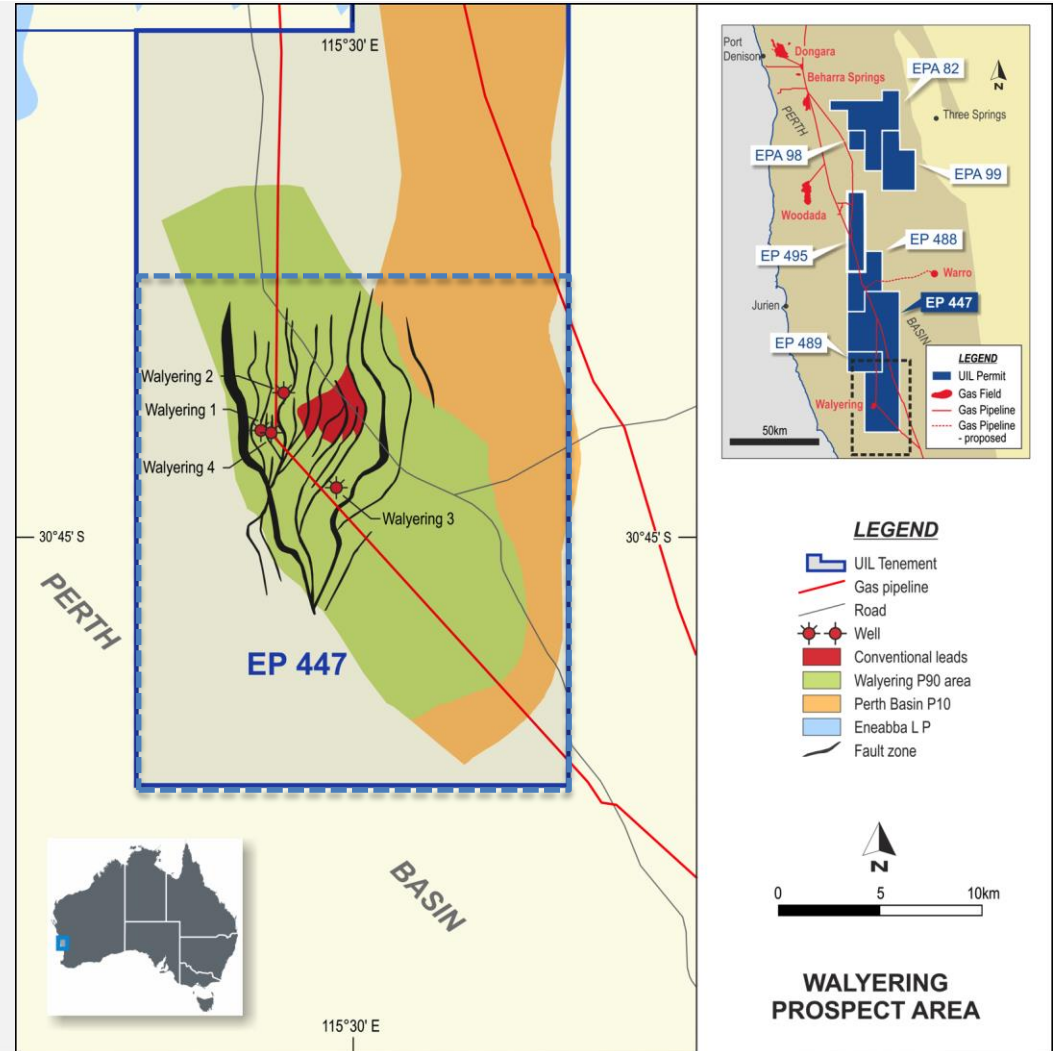
* ASX announcement by Eneabba dated 27 November 2015 making reference to the ASX Announcement by Greenrock Energy Limited [ASX: GRK] dated 4 October 2013 "Independent Resource Valuation Ocean Hill Block".



Walyering Farmin Project



- ✓ Bombora Natural Energy to farmin area to 4 southern blocks within EP447
- ✓ Bombora to fund \$2.5 million for a maximum 100km² 3D seismic survey and earn a 70% working interest in four graticular blocks
- ✓ Focus on previously discovered Walyering 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 MMCF/D
- ✓ Environmental and ecological field works completed and approvals ready to be submitted

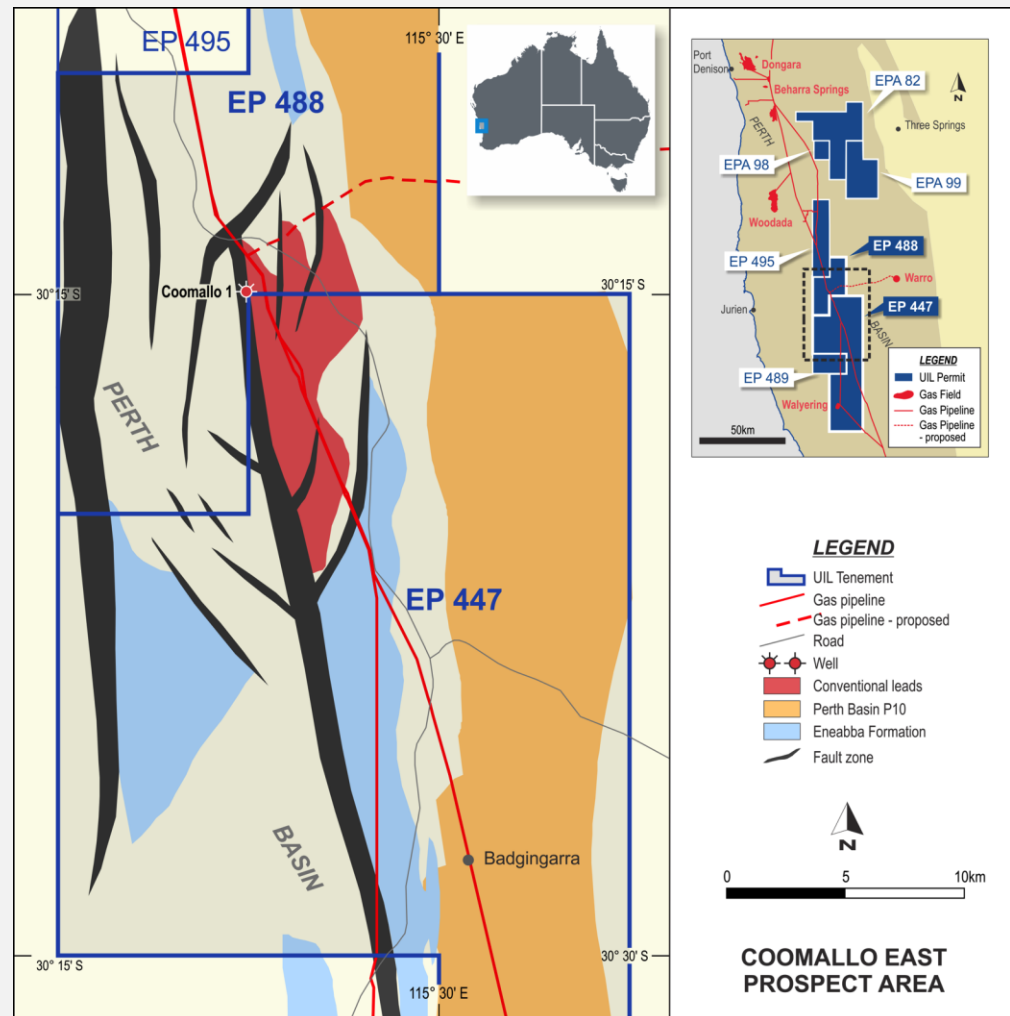


Coomallo East Prospect



- ✓ Located mostly in EP 447 to the east of the Coomallo-1 well
- ✓ Prospect is an up-thrown fault closure and as mapped at the Top Eneabba horizon has an areal closure of 3716 hectares and vertical closure of 540m
- ✓ Best estimate 2C Contingent Resource of 166 BCF with associated condensate of 5 MMBLS*
- ✓ Assessing new available seismic data and potential 3D seismic program

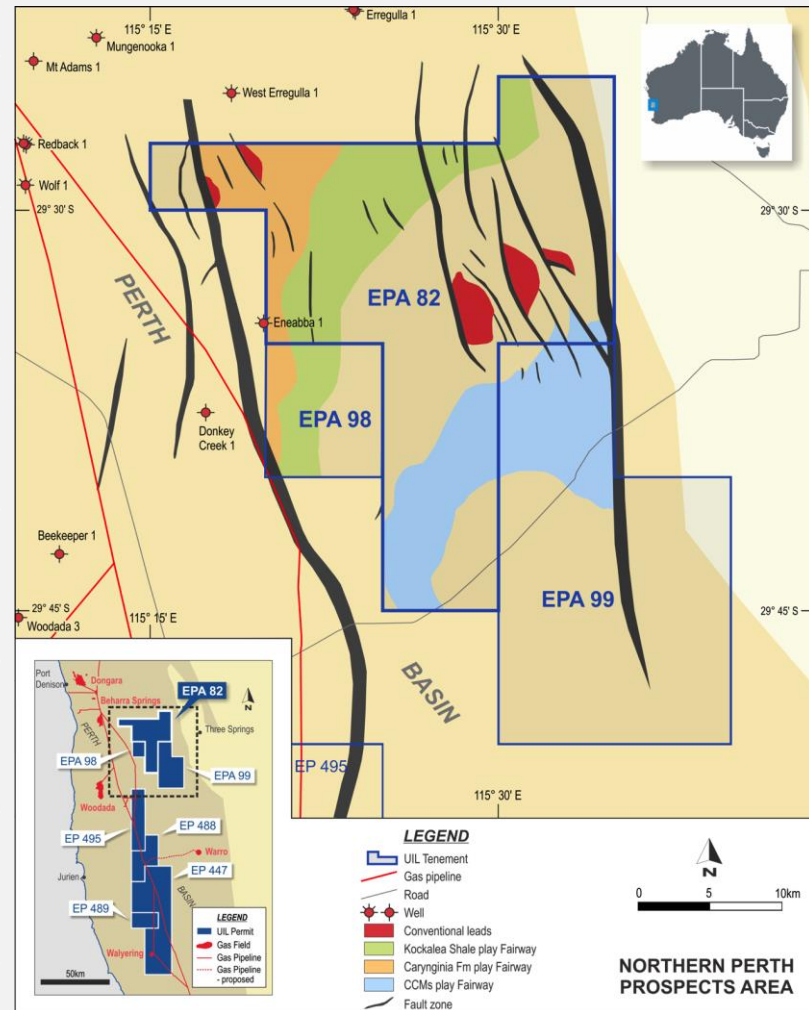
* Assumes a 20 metre sand with a 50% net to gross, 12% porosity and a 60% recovery factor



Northern Perth Prospects



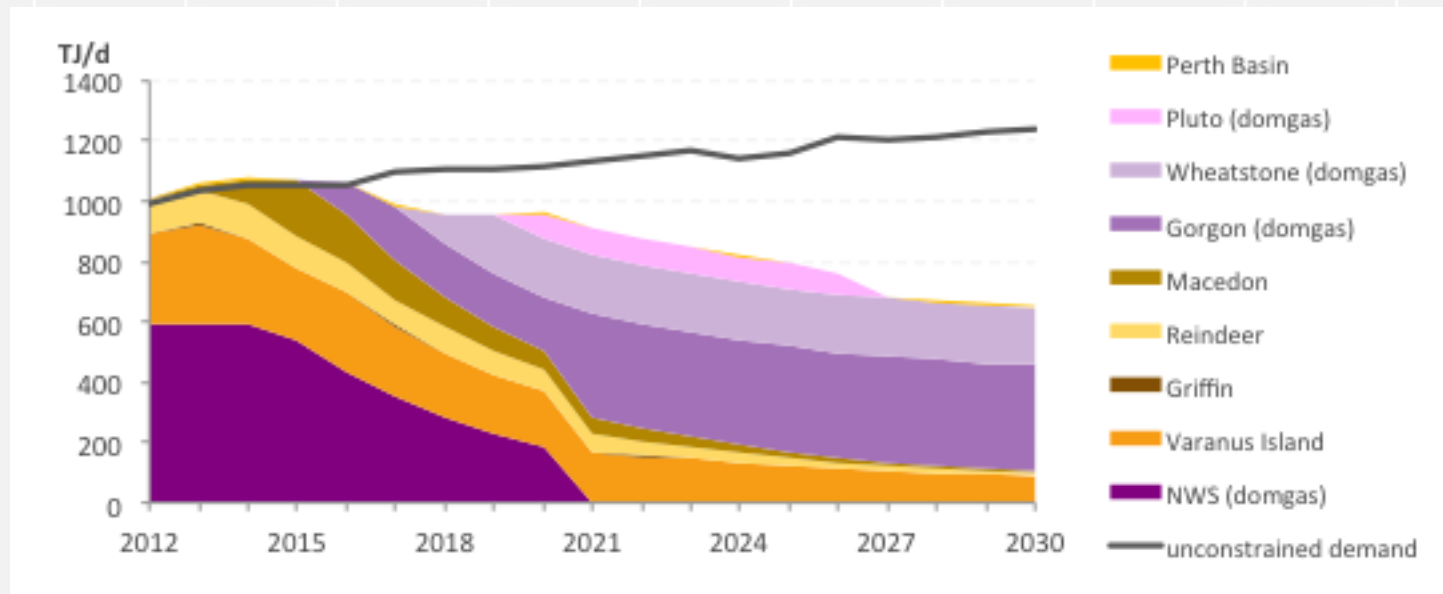
- ✓ Three permits adjacent to Warrego's owned Erregulla field where Warrego scheduled to drill late 2017
- ✓ North-western flank of permits have potential for key reservoir intervals similar to AWE's Waitsia discovery. Depths of these reservoir's to be confirmed
- ✓ UIL progressing the granting of these 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 continues to be attractive with recent drilling success, existing infrastructure, the need for domestic gas and robust gas prices (not linked to oil)

Upcoming third party activity:-

- ✓ Origin's Perth Basin assets – If not acquired prior, IPO expected to command strong valuation
- ✓ AWE's Waitsia project expansion and further development through 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 (fully funded)

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

Parallels between QLD CSG and Perth Consolidation



QLD Coal Seam Gas History

- Market short on gas with a number of small operators
- Eventual consolidation following low oil prices (2008)
- Bow Energy strategy focused on:
 - Strategic holding of key acreage
 - Maintaining 100% ownership and operatorship
 - De-risk projects for maximum return
- Bow's projects attracted significant interest from large players prior to takeover
- 3 year time horizon in obtaining 12 to 15 times share price



Perth Basin

- Market short on long-term gas (eg Alcoa)
- Started with a number of small players with small acreage positions and low equity ownership
- Again similar to Bow, UIL Energy's strategy focused on:
 - Strategic holding of key acreage
 - Maintaining 100% ownership and operatorship
 - De-risk projects for maximum return
- Attractiveness starting to occur eg Lone Star's bid for AWE, Mineral Resources investment in Empire, strong interest in Origin's assets
- UIL Energy well positioned to again take advantage of the gas supply gap and acreage squeeze