



ASX Announcement

14 May 2018

Notice to Quoted Optionholders **\$0.075 Options (ASX:UILO) Expiring 14-Jun-18**

Notice is hereby given that the UIL Energy Limited (**UIL** or the **Company**) (ASX:UIL) quoted options (**UIL Options**) (ASX:UILO) that you hold will expire on Thursday, 14 June 2018. Should you wish to exercise your UIL Options, you must do so in accordance with the instructions set out in the personalised Notice of Exercise of Options Form on or before 5.00pm (AEST) on 14 June 2018.

In accordance with ASX Listing Rule 6.24 and Appendix 6A of the ASX Listing Rules, the Company advises the following:

1. The total number of UIL Options on issue is 41,850,000.
2. The number of UIL Options that you hold is set out in the **attached** personalised Notice of Exercise of Options Form. Each UIL Option is exercisable into one (1) fully paid ordinary share in UIL in accordance with the terms of the UIL Options.
3. The exercise price for each UIL Option is \$0.075 (seven and a half cents) (**Exercise Price**).
4. The due date for payment of the Exercise Price for each UIL Option is before 5.00pm (AEST) on Thursday, 14 June 2018 (**Due Date**).
5. If holders do not elect to exercise their UIL Options on or before the Due Date and/or do not pay the Exercise Price for their UIL Options by the Due Date, their UIL Options will lapse and expire. Once expired, holders will have no further right or entitlement to those UIL Options.
6. Quotation of the UIL Options will cease on 6 June 2018, which is five (5) business days before 14 June 2018 (being the expiry date of the UIL Options).
7. The latest available closing price of UIL Shares prior to the date of this notice was \$0.043 (on 11 May 2018).
8. The highest and lowest sale price of the Company's Shares during the three (3) months immediately before the date of this notice was:

Highest	\$0.05
Lowest	\$0.033
9. There are no arrangements in place to underwrite any unexercised UIL Options.

To exercise your UIL Options please complete the Notice of Exercise Form attached with this notice and return to the share registry before 5.00pm (AEST) on 14 June 2018.

All ordinary shares issued upon exercise of the UIL Options will rank parri passu in all respects with the Company's existing ordinary shares. The Company will apply for official quotation by the ASX of any ordinary shares issued upon exercise of the UIL Options.

On behalf of the Board
DP Cornish, Joint Company Secretary



UIL Energy Limited
ABN 153 352 160

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NAME AND ADDRESS OF OPTIONHOLDER

Conversion Ratio: 1 for 1
Exercise Price: A\$0.075

Expiry Date: 14 June 2018

SRN/HIN

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NOTICE OF EXERCISE OF OPTIONS

PLEASE COMPLETE BELOW (using block letters)

I/We apply to exercise the following number of options and make payment in Australian currency drawn on an Australian branch of a financial institution for the amount payable. Please allot me/us Ordinary Shares calculated on the basis of one (1) Ordinary Share for every one (1) Option which I/we exercise. I/We agree to accept such Shares subject to the Constitution of UIL Energy Ltd.

A NUMBER OF OPTIONS EXERCISED
(Exercise all or part of UILO Options)

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at **A\$0.075** per
Option Exercised \$A

B TOTAL PAYMENT REQUIRED
(A\$0.075 per UILO Option exercised)

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C PLEASE MAKE THE PAYMENT DIRECTLY TO THE BELOW BANK ACCOUNT TO EXERCISE YOUR OPTIONS.

Account Name

UIL Energy Limited

BSB

064 - 000

Account Number

13165114

Your Name

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D YOUR CONTACT DETAILS

Telephone Number

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Telephone Number – after hours

()

Contact Name (PRINT)

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Personal Information Collection Notification Statement: Link Group advises that personal information it holds about you (including your name, address, date of birth and details of the financial assets) is collected by Link Group organisations to administer your investment. Personal information is held on the public register in accordance with Chapter 2C of the *Corporations Act 2001*. Some or all of your personal information may be disclosed to contracted third parties, or related Link Group companies in Australia and overseas. Your information may also be disclosed to Australian government agencies, law enforcement agencies and regulators, or as required under other Australian law, contract, and court or tribunal order. For further details about our personal information handling practices, including how you may access and correct your personal information and raise privacy concerns, visit our website at www.linkmarketservices.com.au for a copy of the Link Group condensed privacy statement, or contact us by phone on +61 1800 502 355 (free call within Australia) 9am–5pm (Sydney time) Monday to Friday (excluding public holidays) to request a copy of our complete privacy policy.

UILO OPT001



Option terms and conditions

- (a) The Offer Options shall be issued for no cash consideration;
- (b) The exercise price of each Offer Option is \$0.075 (**Exercise Price**);
- (c) The Offer Options will expire on the date being 18 months from the date of issue (**Expiry Date**) unless earlier exercised;
- (d) The Offer Options are transferrable;
- (e) The Offer Options may be exercised at any time wholly or in part by delivering a duly completed form of notice of exercise together with payment for the Exercise Price per Offer Option to the Company at any time on or after the date of issue of the Offer Options and on or before the Expiry Date. Payment may be made as directed by the Company from time to time, which may include by cheque, electronic funds transfer or other methods;
- (f) The number of Offer Options that may be exercised at one time must be not less than 1000, unless the Option holder holds less than 1000 options in which case all options must be exercised at one time;
- (g) Upon the valid exercise of the Offer Options and payment of the Exercise Price, the Company will issue fully paid ordinary shares ranking pari passu with the then issued ordinary shares within 10 business days of valid exercise and payment;
- (h) Option holders do not have any right to participate in new issues of securities in the Company made to shareholders generally. The Company will, where required pursuant to the ASX Listing Rules, provide Option holders with notice prior to the books record date (to determine entitlements to any new issue of securities made to shareholders generally) to exercise the Offer Options, in accordance with the requirements of the Listing Rules.
- (i) Option holders do not participate in any dividends unless the Offer Options are exercised and the resultant shares of the Company are issued prior to the record date to determine entitlements to the dividend;
- (j) In the event of any reorganisation (including consolidation, subdivision, reduction or return) of the issued capital of the Company:
 - (1) the number of Offer Options, the Exercise Price of the Offer Options, or both will be reorganised (as appropriate) in a manner consistent with the ASX Listing Rules as applicable at the time of reorganisation, but with the intention that such reorganisation will not result in any benefits being conferred on the holders of the Offer Options which are not conferred on shareholders; and
 - (2) subject to the provisions with respect to rounding of entitlements as sanctioned by a meeting of shareholders approving a reorganisation of capital, in all other respects the terms for the exercise of the Offer Options will remain unchanged;
- (k) If there is a pro rata issue (except a bonus issue), the Exercise Price of an Offer Option may be reduced according to the following formula:
$$O_n = O - E [P - (S + D)] / N + 1$$
Where:
 - O_n = the new exercise price of the Offer Option;
 - O = the old exercise price of the Offer Option;
 - E = the number of underlying securities into which one Offer Option is exercisable;
 - P = the volume weighted average market price per security of the underlying securities during the 5 trading days ending on the day before the ex right date or the ex entitlements date;
 - S = the subscription price for a security under the pro rata issue;
 - D = dividend due but not yet paid on the existing underlying securities (except those to be issued under the pro rata issue);
 - N = the number of securities with rights or entitlements that must be held to receive a right to one new security.
- (m) If there is a bonus issue to the holders of shares in the Company, the number of shares over which the Offer Option is exercisable may be increased by the number of shares which the Option holder would have received if the Offer Option had been exercised before the record date for the bonus issue;
- (n) The terms of the Offer Options shall only be changed if holders (whose votes are not to be disregarded) of ordinary shares in the Company approve of such a change. However, unless all necessary waivers of the ASX Listing Rules are obtained, the terms of the Offer Options shall not be changed to reduce the Exercise Price, increase the number of Offer Options or change any period for exercise of the Offer Options;
- (o) The Company shall apply for listing of the Offer Options on the ASX; and
- (p) The Company shall apply for listing on the ASX of the resultant shares of the Company issued upon exercise of any Offer Option