.Rules 4.3A

Appendix 4E

Full Year Report

Name of entity

ENEABBA GAS LIMITED

ABN or equivalent company reference	Financial year ended ('current period')
69 107 385 884	30 June 2015

Results for announcement to the market

(All comparisons to year ended 30 June 2014)

	2015	2014	Change %
Revenues from continuing operations	68,740	75,104	Decrease 8%
Profit / (Loss) from ordinary activities after tax attributable to members*	(513,236)	(2,157,939)	Decrease 76%
Net profit / (loss) for the year attributable to members*	(513,236)	(2,157,939)	Decrease 76%

Dividends (distributions)	Amount per security	Franked amount per security
Final dividend Interim dividend	None	- ¢
Previous corresponding period	None	- ¢
Record date for determining entitlements to the dividend	N/A	

	30/06/15	30/06/14	30/06/13
Net tangible asset backing per ordinary security (excludes exploration and evaluation expenditure)	1.22 cents	2.18 cents	2.31 cents

Explanations for the above results and commentary are contained in the director's report and the 30 June 2015 financial statements and accompanying notes.

This report is based on the consolidated financial statements which have been audited by HLB Mann Judd.

*As detailed in the 30 June 2015 financial statements and accompanying notes, the change from the prior year result is primarily due to the impairment of capitalised exploration and evaluation expenditure in the prior period.

Compliance statement

1 This report has been prepared in accordance with AASB Standards, other AASB authoritative pronouncements and Urgent Issues Group Consensus Views or other standards acceptable to ASX.

2 This report, and the accounts upon which the report is based (if separate), use the same accounting policies.

3 This report does give a true and fair view of the matters disclosed.

4 This report is based on +accounts to which one of the following applies.
(Tick one)

☑	The accounts have been audited.	☐	The accounts have been subject to review.
☐	The accounts are in the process of being audited or subject to review.	☐	The accounts have *not* yet been audited or reviewed.

Sign here: (Company Secretary) Date: 31 August 2015

Print name: Brett Tucker

Eneabba Gas Limited

ANNUAL REPORT
for the year ended 30 June 2015

ENEABBA GAS LIMITED
ABN: 69 107 385 884

CONTENTS

This Annual Report covers Eneabba Gas Limited ("Eneabba" or the "Company") as a Group consisting of Eneabba Gas Limited and its subsidiaries, collectively referred to as the "Group". The financial report is presented in Australian currency.

Eneabba Gas Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business is:

Eneabba Gas Limited
Ground Floor
16 Ord Street
West Perth WA 6005

The Company has the power to amend and reissue the financial report.

ENEABBA GAS LIMITED
ABN: 69 107 385 884

CORPORATE INFORMATION

Directors:
Barnaby Egerton-Warburton
Managing Director

Garry Marsden
Non-Executive Chairman

Thomas Goh
Non-Executive Director

Morgan Barron
Non-Executive Director

Company Secretary:
Brett Tucker

Auditors:
HLB Mann Judd
Level 4, 130 Stirling Street
PERTH WA 6000

Bankers:
Westpac Banking Corporation
109 St Georges Terrace
PERTH WA 6000

Solicitors:
Steinepreis Paganin
Level 4, The Read Buildings
16 Milligan Street
PERTH WA 6000

Registered & Principal Office:
Ground Floor, 16 Ord Street
WEST PERTH WA 6005
Telephone: + 618 9482 0555
Facsimile: + 618 9482 0505
Email: info@eneabbagas.com.au
Website: www.eneabbagas.com.au

Postal Address:
P.O. Box 902
WEST PERTH WA 6872

Home Securities Exchange:

Australian Securities Exchange Limited
Level 40, Central Park
152-158 St George's Terrace
PERTH WA 6000

ASX Code:
ENB (Ordinary Shares)

Share Registry:
Security Transfers Registrars Pty Ltd
770 Canning Highway
APPLECROSS WA 6153
Telephone: +618 9315 2333

DIRECTORS' REPORT

Your Directors have pleasure in submitting their report together with the financial statements of the Company and its subsidiaries it controlled during the period, for the year ended 30 June 2015. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:-

DIRECTORS

The names and details of Directors in office at any time during or since the end of the year and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated:

Garry Marsden, B.Sc. (Hons) Applied Geology - Non-Executive Chairman – (appointed 18 April 2015)

EXPERIENCE AND EXPERTISE
Mr Marsden is an experienced oil and gas manager, with a degree in Petroleum Geology and a strong recent track record in investor communications and commercial management and retains an extensive contact network in the Australian oil and gas industry.

Mr Marsden worked for over a decade at AWE Limited, as Corporate Development Manager and Business Development Manager and more recently has acted as a Consultant to the oil and gas industry. Mr Marsden is a member of PESA and a Member of the Australian Institute of Company Directors.

OTHER CURRENT DIRECTORSHIPS OF LISTED COMPANIES
Nil

OTHER DIRECTORSHIPS HELD IN LISTED COMPANIES IN THE LAST THREE YEARS
Nil

Barnaby Egerton-Warburton, B. Ec. GAICD - Managing Director – (appointed 4 March 2015)

EXPERIENCE AND EXPERTISE
Mr Egerton-Warburton holds a Bachelor of Economics and is a graduate of the Australian Institute of Company Directors and a member of the American Association of Petroleum Geologists. Mr Egerton-Warburton has over 20 years of investment banking, international investment and market experience. He has spent the last six years directly involved in the energy sector with a focus on the United States and Middle East. Prior to this he has held positions with investment banks in Perth, Sydney, New York and Hong Kong, including JP Morgan, BNP Equities (New York) and Prudential Securities (New York).

OTHER CURRENT DIRECTORSHIPS OF LISTED COMPANIES
Non-Executive Director - DMY Capital Limited
Non-Executive Director – Isignthis Limited

OTHER DIRECTORSHIPS HELD IN LISTED COMPANIES IN THE LAST THREE YEARS
Green Rock Energy Limited (renamed to Black Rock Mining Limited) (appointed 15 March 3013, and resigned on 22 January 2015)
Intermet Resources Limited (appointed 17 January 2013, and resigned 9 October 2014)

Morgan Barron, B.Com (UWA), C.A. S.A.Fin, GAICD – Non-Executive Director

EXPERIENCE AND EXPERTISE
Mr Barron is a Chartered Accountant and has over 15 years in corporate advisory. Mr Barron has advised and guided many companies undertaking fundraising activities in Australia and seeking to list on the ASX.

In addition, Mr Barron has been involved in many corporate reconstructions, mergers and acquisitions and has played a key role in the recapitalisation of a number of ASX companies.

Mr Barron is a member of the Institute of Company Directors and is a Director and Shareholder of Ventnor Capital Pty Ltd and Ventnor Securities Pty Ltd which specialise in the provision of corporate advisory services to a variety of junior ASX companies.

OTHER CURRENT DIRECTORSHIPS OF LISTED COMPANIES
Non-Executive Director – Latitude Consolidated Limited

OTHER DIRECTORSHIPS HELD IN LISTED COMPANIES IN THE LAST THREE YEARS
Non-Executive Director – Orinoco Gold Limited (appointed 9 February 2011, resigned 1 November 2012)

DIRECTORS' REPORT (CONTINUED)

Thomas L. Goh, B.Sc - Non-Executive Director

EXPERIENCE AND EXPERTISE

Mr Goh has acquired years of extensive experience in the petroleum exploration industry through working with seismic contractor companies (in Singapore), a major international oil company and an Australian group of companies in Australia.

Operating in Southeast Asia and Pacific-rim regions, Mr Goh rose to the position of Manager at an early age with a US seismic company before migrating in 1978 to Australia, where he had direct technical involvement in the economic appraisals of both gas and oil discoveries. As Director and General Manager of a public listed oil and gas company, he continued contributing much of his technical expertise directly to joint ventures to achieve successful exploration objectives. Furthermore, Mr Goh has initiated several vital corporate strategies, which included technical evaluations, commercial negotiations, sale and acquisition of petroleum interests.

OTHER CURRENT DIRECTORSHIPS OF LISTED COMPANIES

Nil

OTHER DIRECTORSHIPS HELD IN LISTED COMPANIES IN THE LAST THREE YEARS

Nil

Greg Allen, B.Eng (RMIT), MBA - Non-Executive Director – (resigned 4 March 2015)

EXPERIENCE AND EXPERTISE

Mr Allen has over 15 years of experience across a range of technology and engineering related industries. He has held senior management and executive responsibility for operational, business development and administrative functions at sizable private and publicly listed companies.

In his current role with Carnegie Wave Energy Limited, Mr Allen oversees all technology development and commercialisation activities at Carnegie. Prior to joining Carnegie, Mr Allen was a Senior Manager for Wesfarmers' remote power generation business specialising in remote unattended power system ownership, operation and maintenance for regional towns and resource operations. Additionally, Mr Allen was previously Chief Operating Officer of an ASX-listed company involved in the commercialisation of solar energy based water pumping and reverse osmosis technologies and was Operations Manager of a heat transfer equipment engineering and service company.

OTHER CURRENT DIRECTORSHIPS OF LISTED COMPANIES

Nil

OTHER DIRECTORSHIPS HELD IN LISTED COMPANIES IN THE LAST THREE YEARS

Nil

Company Secretary

Brett Tucker B.Com (UWA), C.A.

EXPERIENCE AND EXPERTISE

Brett has a strong accounting background gained from experience in an international accounting practice, working in both audit and taxation. Brett has exposure to a wide range of industries with a focus on junior resource companies.

PRINCIPAL ACTIVITIES

The principal activities of Eneabba Gas Limited ("Eneabba" or the "Company") during the financial year were evaluating additional energy projects to add to its energy portfolio in the Perth Basin, which resulted in executing an option agreement to acquire the prospective Ocean Hill Gas Project as well as the acquisition of a 50% interest in Exploration Permit 447. Further, the Company continued to evaluate development options for the proposed 168MW Centauri-1 Power Station near Dongara, Western Australia.

DIRECTORS' REPORT (CONTINUED)

RESULTS

The net consolidated loss after tax attributable to members of the Company for the year ended 30 June 2015 amounted to $513,236 (2014: $2,157,939). The net loss is due to due diligence, evaluation and acquisition of power and energy projects, power plant feasibility costs and administration costs relating to an ASX listed entity.

DIVIDENDS

There were no dividends paid or declared during the year.

OPERATING AND FINANCIAL REVIEW

Perth Basin Acreage Position

During the year the company acquired and entered into agreements to acquire prospective gas rich exploration acreage in the Perth Basin totalling approximately 344,000 acres (1,397 square kilometres).

Ocean Hill Gas Acquisition

In October 2014, the Company signed a permit sale agreement with Black Rock Mining Limited (formerly Green Rock Energy Limited) ("Black Rock") to acquire 100% of the Ocean Hill Block Application (STP EPA 0090, formerly designated Bid Area L12-7) ("Ocean Hill Block"). The Ocean Hill Block comprises 297 km^2 (73,000 acres) and is located in the North Perth Basin, about 225 km north of Perth and 90 Km southeast of Dongara and the Eneabba Centauri-1 Power station site (**Figure 1**).

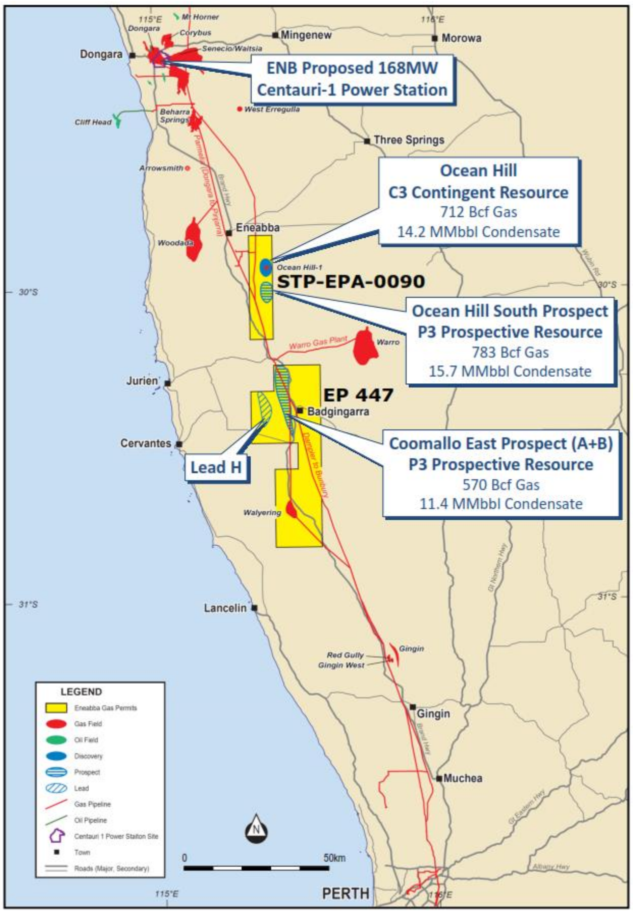

Figure 1 – Location of Eneabba's Permits

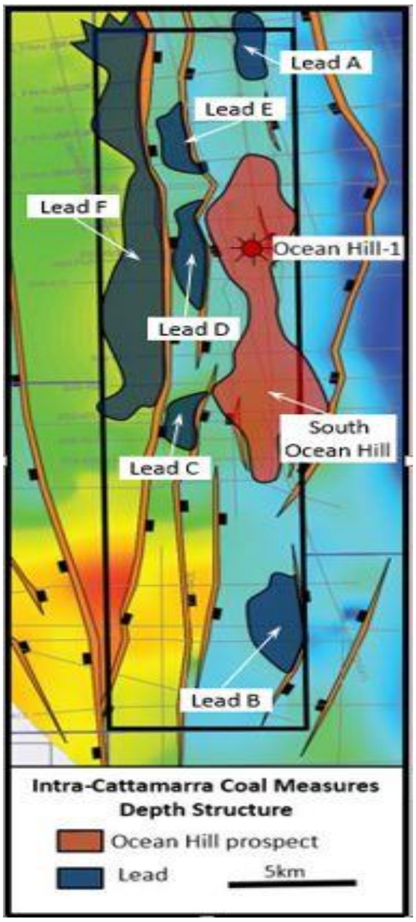

Figure 2 – Ocean Hill Block Prospects and Leads

DIRECTORS' REPORT (CONTINUED)

Black Rock is currently the preferred applicant for the Ocean Hill Block. The area will be converted to an Exploration Permit once Native Title negotiations have been concluded. The native title process covering the Northern Portion of the Ocean Hill Permit has continued to be delayed despite the best efforts of both the Amangu Traditional Owner group and Black Rock (ASX:BKT) / Eneabba. A native title agreement has been finalised and agreed between Amanagu and Black Rock, however, the state of Western Australia has sought to amended the terms of its state deed and native title agreements such that further negotiation between the state and Amangu is required. Eneabba and Black Rock remain committed to completion of the acquisition of the Ocean Hill project by Eneabba and will continue to push for completion. As a result of the continued delays in finalisation of the native title agreement the company does not expect the acquisition to complete until approximately mid-2016

In January 2015 Eneabba signed a conditional farm-in agreement with Finder No 6 Pty Ltd ("Finder") covering the Ocean Hill Block (STP EPA 0090). Finder is a wholly owned subsidiary of the successful private West Australian based oil and gas explorer Finder Exploration Pty Ltd. Under the agreement, subject to the satisfaction of several conditions precedent as to native title, permit award and funding, Finder has agreed to fund a two stage work program totaling up to $A15 million at the Ocean Hill Project to earn an 85% interest in the Ocean Hill Project. In addition Eneabba is required to vary the conditions of the permit award to match the agreed work program.

As a result of the delay in Native Title, Eneabba and Finder have agreed to vary the terms of the Farmin Agreement (Finder will earn 85% of Ocean Hill by spending $10 million on one well and $5 million on a 250km 3D seismic survey) with Finder. The changes include the ability for Eneabba to terminate at any time without penalty. A termination date of June 15th 2016 has now been agreed to if completion of the acquisition of the Ocean Hill project from Black Rock is not complete, the completion of native title process to enable grant of the permit is not complete and Finder funding has not been achieved.

About the Ocean Hill Block

The Dampier to Bunbury Pipeline runs directly through the Ocean Hill block and a compressor station is located 6.5 km from the proposed Ocean Hill-2 location, providing excellent infrastructure access and a substantial benefit for the project economics.

The block area contains a large faulted four-way dip closure that was tested by drilling of the Ocean Hill-1 well in 1991. The well reached a total depth of 3,840m in the Jurassic Cattamarra Coal Measures before being suspended as an uneconomic gas discovery. Good gas shows were encountered in the Jurassic Cadda Formation and Cattamarra Coal Measures over the entire interval of over 800m from about 3,000m to total depth, and analysis of the electric logs indicated over 100m of net gas pay within multiple sands through the zone. An open hole drill stem test flowed gas rate of 0.7MMscf/d from the interval 3,063-3130mKB in the Cadda Formation with associated liquids of 15-23 bbl/MMcf.

Eneabba believes that Ocean Hill can potentially be commercialised through the application of modern drilling and completion technology. Application of 3D seismic can also limit the risks associated with drilling at the Ocean Hill Project. Eneabba also notes that gas prices are significantly higher than when the Ocean Hill-1 well was originally drilled.

The Ocean Hill discovery demonstrates similar geological setting to the Gingin Gas Field and Red Gully Gas Project, where Empire Oil & Gas commenced production in late 2013.

Mapping and re-evaluation of the available 2D seismic data by Black Rock indicates the presence of a substantial closure associated with the Ocean Hill-1 location and a number of additional prospects and leads have been identified (refer to Figure 2).

Historical seismic data at Ocean Hill was acquired between 1961 and 1996, with the majority being acquired in 1989.

The Ocean Hill structure has two culminations. The northern culmination was drilled by Sagasco Resources in 1991 and has an estimated C3 Contingent Resource of 712 BCF gas plus 14.2 million barrels condensate. The southern culmination is undrilled and has an estimated P3 Prospective Resource of 783 BCF gas plus 15.7 million barrels condensate. The other leads are poorly defined and require additional seismic surveying before prospective resource numbers can be assigned to them.

DIRECTORS' REPORT (CONTINUED)

EP447 Acquisition

Eneabba completed the acquisition of a 50% interest in Exploration Permit (EP) 447 via the acquisition of 100% of GCC Methane Pty Ltd from Greenpower Energy Limited ("Greenpower") on 1 June 2015.

EP447 covers approximately 1,100 square kilometres (251,000 acres) in the Perth Basin and includes the formerly producing Walyering Gas Field. UIL Energy Limited (ASX:UIL) holds the remaining 50% interest in EP447 and is operator. Eneabba paid a consideration of $850,000, being the agreed amount payable under the Option Agreement with Greenpower. Under the agreement Greenpower will also be entitled to a 1.5% net well head royalty.

2D seismic coverage of EP447 consists of the 2013 UIL Energy Badgingarra 2D seismic survey, heritage, 1970s data acquired by WAPET and 1990s data acquired by Discovery Petroleum. Recent seismic interpretations of this seismic data has identified two fault blocks collectively called the Coomallo East Prospect. These structures have an estimated P3 Prospective Resource of 570 BCF gas plus 11.4 million barrels condensate. An additional 130 kilometres of 2D seismic is planned to be acquired over these structures in early 2016. This seismic survey is expected to mature these structures for a more detailed 3D seismic survey to mature an optimum exploration drilling location.

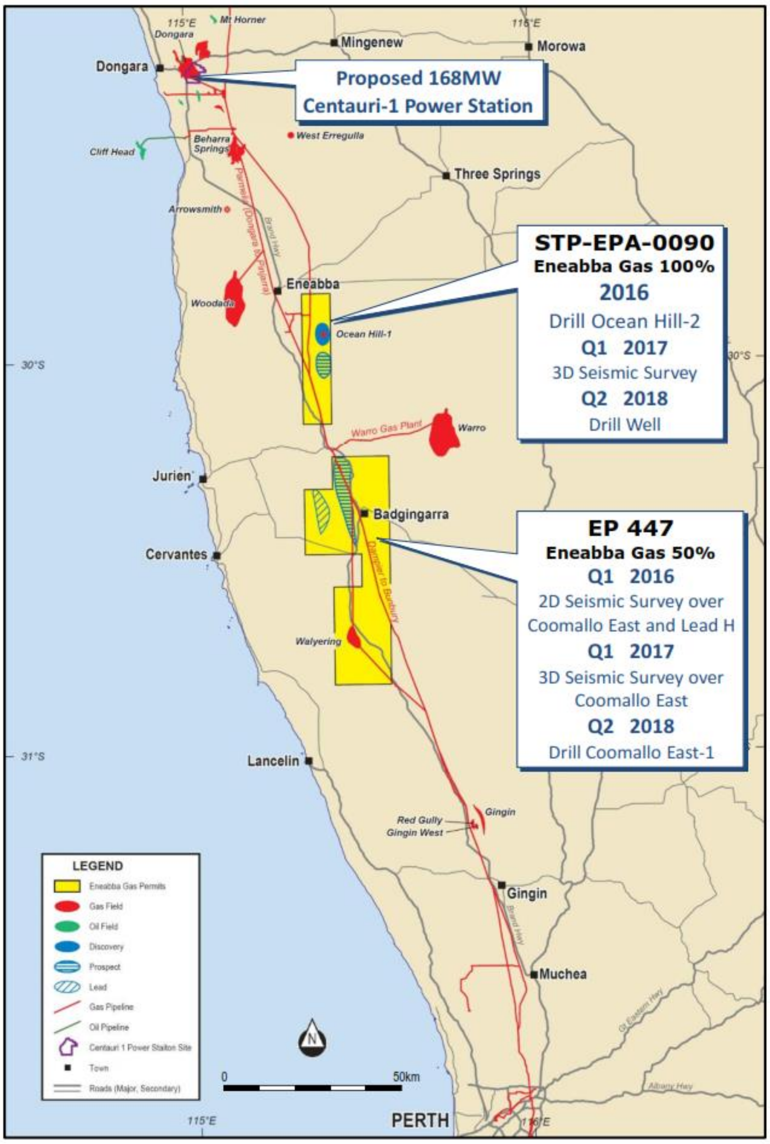

Figure 3- Eneabba Gas - Perth Basin Asset Activity Portfolio

DIRECTORS' REPORT (CONTINUED)

Centauri-1 Power Station Concept

The Centauri-1 Power Station concept is located in Mid-West Western Australia (North Perth Basin), in close proximity to the Ocean Hill Block. The acquisition of the Ocean Hill and EP447 projects could potentially compliment the Company's current Power Station concept, with potential gas supply from the Ocean Hill and or EP447 being used as feedstock.

The Company continues to keep the required federal permitting for the construction and operation of the power station in good standing, as well as maintaining the power station site on Company land at minimum cost.

Corporate Activities

The Company's cash balance at 30 June 2015 was $1,499,991.

Financial Position

The financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

The Group has generated a comprehensive loss after tax for the year ended 30 June 2015 of $513,236 (2014: $2,157,939), had a net working capital surplus of $1,464,074 at 30 June 2015 (2014: $1,736,648) and experienced net cash outflows from operating activities for the year of $500,087 (2014: $184,215).

Accordingly, the Directors believe that there are sufficient funds to meet the Group's working capital requirements.

The Directors consider the going concern basis of preparation to be appropriate based on forecast cash flows and have confidence in the Company's ability to raise additional funds if required.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

There have been no significant changes in the state of affairs of the Group that occurred during the financial year not otherwise disclosed in this report or the financial statements.

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

On the 10 August 2015 the Company announced that Mr Barnaby Egerton-Warburton was appointed as Managing Director. The material terms of the remuneration package with Mr Egerton-Warburton are detailed in the Remuneration Report within the Directors' Report.

Further, on 31 August 2015 the Company announced that as a result of the delay in Native Title, Eneabba and Finder have agreed to vary the terms of the Farm in Agreement covering Ocean Hill. The changes include the ability for Eneabba to terminate at any time without penalty. A final termination date of 15 June 2016 has been agreed to if completion of the acquisition of the Ocean Hill project from Black Rock is not completed, the completion of native title process to enable grant of the permit is not completed and Finder has not sourced the required funding .

The Sargon UCG Project was relinquished subsequent to the balance date and therefore the Company is not required to meet any future expenditure commitments for this tenement.

No other matters or circumstances have arisen since the end of the year which significantly affected or may significantly affect the operations of the Company or Group, the results of those operations or the state of affairs of the Company or Group in subsequent financial years.

DIRECTORS' REPORT (CONTINUED)

ENVIRONMENTAL REGULATION

The Directors believe that the Group has, in all material respects, complied with all particular and significant environmental regulations relevant to its operations.

The Group's operations are subject to various environmental regulations under the Federal and State Laws of Australia. Approvals, licences and hearings and other regulatory requirements are performed as required by the management of Eneabba for each permit or lease in which the Group has an interest.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

During the financial year, the Company has paid a premium of $8,880 excluding GST (2014: $8,880) to insure the Directors and secretary of the Company.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Company, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Company.

DIRECTORS INTERESTS IN THE SHARES AND OPTIONS OF THE COMPANY

As at the date of this report, the interests of the Directors in ordinary shares and options of the Company were:

	Shares		Options	
Director	***Held Directly***	***Held Indirectly***	***Held Directly***	***Held Indirectly***
Garry Marsden	-	-	-	-
Barnaby Egerton-Warburton	-	2,083,333	-	-
Thomas Goh	9,000,000	-	-	-
Morgan Barron	-	5,640,807	-	-
TOTAL	**9,000,000**	**7,724,140**	**-**	**-**

MEETINGS OF DIRECTORS

During the financial year, 7 meetings of Directors, were held with the following attendances:

Directors	Meetings Attended	Meetings Eligible to Attend
Greg Allen[1]	4	4
Garry Marsden[2]	2	2
Barnaby Egerton-Warburton[3]	3	3
Thomas Goh	7	7
Morgan Barron	7	7

1) Mr Allen resigned as a Director on 4 March 2015
2) Mr Marsden was appointed as Chairman on 18 April 2015
3) Mr Egerton-Warburton was appointed as a Director on 4 March 2015

REMUNERATION REPORT (AUDITED)

This report outlines the remuneration arrangements in place for Directors and key management personnel of the Group for the year ended 30 June 2015. The information contained in this report has been audited as required by section 308(3C) of the *Corporations Act 2001*.

The information provided includes remuneration disclosures that are required under Accounting Standard AASB 124 "Related Party Disclosures". These disclosures have been transferred from the financial report.

This remuneration report details the remuneration arrangements for key management personnel ("KMP") who are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Company and the Group, directly or indirectly, including any director (whether executive or otherwise) of the parent company, and includes those executives in the Parent and the Group receiving the highest remuneration.

REMUNERATION REPORT (AUDITED) (CONTINUED)

Key Management Personnel

Directors:
Mr Barnaby Egerton-Warburton (Managing Director) – appointed 4 March 2015
Mr Garry Marsden (Non-Executive Chairman) – appointed 18 April 2015
Mr Morgan Barron (Non-Executive Director)
Mr Thomas Goh (Non-Executive Director)

Mr Greg Allen (Non-Executive Director) – resigned 4 March 2015

Remuneration Policy

The Group's performance relies heavily on the quality of its Key Management Personnel ("KMP"). The Group has therefore designed a remuneration policy to align director and executive reward with business objectives and shareholder value.

Executive reward is linked to shareholder value by providing a fixed remuneration component and offering specific long-term incentives based on key performance areas affecting the Group's financial results. The Board believes the remuneration policy to be appropriate and effective in its ability to attract and retain high calibre management personnel and directors to run and manage the Group.

Remuneration Structure

In accordance with best practice corporate governance, the structure of non-executive director and executive remuneration is separate and distinct.

Non-Executive Director Remuneration

The Board policy is to remunerate non-executive Directors at market rates for comparable companies for time, commitment and responsibilities. The Board determines payments to the non-executive Directors and reviews their remuneration annually, based on market practice, duties and accountability. Independent external advice is sought when required.

The maximum aggregate amount of fees that can be paid to non-executive Directors is subject to approval by shareholders at the Annual General Meeting and is currently set at $350,000.

Fees for non-executive Directors are not linked to the performance of the Group. However, to align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Company and are able to participate in employee incentive option plans that may exist from time to time.

Executive Remuneration

Executive Remuneration consists of fixed remuneration and variable remuneration (comprising short-term and long-term incentive schemes).

Fixed Remuneration

All KMPs are remunerated on a consultancy basis based on services provided by each person. The Board reviews KMP packages annually by reference to the Group's performance, executive performance and comparable information from industry sectors and other listed companies in similar industries.

The fixed remuneration of the Group's KMP is detailed in the table below.

Variable Remuneration

The remuneration policy has been tailored to increase goal congruence between shareholders and directors and key management personnel. Currently, this is facilitated through the issue of options to key management personnel to encourage the alignment of personal and shareholder interests. The Group believes this policy will be effective in increasing shareholder wealth.

Principles used to determine the nature and amount of variable remuneration: relationship between remuneration and company performance

The overall level of executive reward takes into account the performance of the Group over a number of years, with greater emphasis given to the current and prior year. The main performance criteria used in determining the executive reward remuneration is increasing shareholder value through aligning the Group with high quality exploration assets. Due to the nature of the Group's principal activities the Directors assess the performance of the Group with regard to the price of the Company's ordinary shares listed on the ASX, and the market capitalisation of the Company.

REMUNERATION REPORT (AUDITED) (CONTINUED)

Directors and executives are issued options to encourage the alignment of personal and shareholder interests. Options issued to Directors may be subject to market based price hurdles and vesting conditions and the exercise price of options is set at a level that encourages the Directors to focus on share price appreciation. The Group believes this policy will be effective in increasing shareholder wealth. KMP are also entitled to participate in the employee share and option arrangements.

On the resignation of Directors any vested options issued as remuneration are retained by the relevant party.

The Board may exercise discretion in relation to approving incentives such as options. The policy is designed to reward KMP for performance that results in long-term growth in shareholder value.

The Group does not currently have a policy pertaining to Directors hedging their exposure to risks associated with the Group's securities they receive as compensation.

During the year the Board completed a self-performance evaluation at a Director and Board level.

<u>Service Contracts</u>
Upon appointment to the Board, all non-executive Directors enter into a service agreement with the Group in the form of a letter of appointment. The letter summarises the policies and terms, including compensation, relevant to the office of Director.

The key terms of the Non-Executive Director service agreements are as follows:

- Term of agreement – ongoing subject to annual review.
- Chairman's Fees of $60,000 per annum plus statutory superannuation.
- Directors' Fees of $40,000 per annum plus statutory superannuation.
- There is no notice period stipulated to terminate the contract by either party.

On the 10 August 2015 the Company announced that Mr Barnaby Egerton-Warburton was appointed as Managing Director. The material terms of the remuneration package with Mr Egerton-Warburton include:

- Fixed term and subject to annual review.
- Fixed Remuneration – $160,000 per annum, which may rise to $200,000 per annum (upon meeting defined value milestones) plus statutory superannuation.
- Share Options – subject to shareholder approval, the issue of 10,000,000 share options with terms as follows:-
  - 3,000,000 options vesting upon grant, exercisable at 6 cents each on or before three years from grant date;
  - 2,000,000 options vesting upon meeting defined value milestones, exercisable at 6 cents each on or before three years from grant date;
  - 3,000,000 options vesting on 16 September 2015, exercisable at 8 cents each on or before three years from grant date; and
  - 2,000,000 options vesting upon meeting defined value milestones, exercisable at 8 cents each on or before three years from grant date

Termination Provisions – The Executive may terminate the agreement without cause by giving up to 3 months written notice. The Company may terminate the agreement without cause by giving up to 3 months written notice.

<u>Remuneration of Directors and Executives</u>
Details of the remuneration of the Directors and the KMP (as defined in AASB 124 *Related Party Disclosures)* of Eneabba Gas Limited are set out in the following tables.

REMUNERATION REPORT (AUDITED) (CONTINUED)

Key management personnel of Eneabba Gas Limited

2015	Short Term Benefits			Post-Employment Benefits	Share Based Payments		
Key Management Personnel	**Salary, Fees & Consulting $**	**Non-Monetary $**	**Allowances $**	**Super-annuation $**	**Options $**	**Total $**	**% of remuneration of performance related**
Morgan Barron	40,000	-	-	3,800	-	43,800	-
Garry Marsden[1]	12,000	-	-	1,140	-	13,140	-
Barnaby Egerton-Warburton[2]	72,825[3]	-	-	2,447	-	75,272	-
Thomas Goh	40,000	-	-	3,800	-	43,800	-
Greg Allen[4]	27,097	-	-	2,574	-	29,671	-
Total	**191,922**	**-**	**-**	**13,761**	**-**	**205,683**	**-**

[1] Mr Marsden was appointed as a Director on the 18 April 2015
[2] Mr Egerton-Warburton was appointed as a Director on 4 March 2015
[3] Mr Egerton-Warburton received payments in regards to director's fees of $13,011 and consulting fees of $59,714 during the year in accordance with a consulting agreement between Eneabba Gas Limited and Mr Egerton-Warburton.
[4] Mr Allen resigned as a Director on 4 March 2015

2014	Short Term Benefits			Post-Employment Benefits	Share Based Payments		
Key Management Personnel	**Salary and Fees $**	**Non-Monetary $**	**Allowances $**	**Super-annuation $**	**Options $**	**Total $**	**% of remuneration of performance related**
Morgan Barron	40,000	-	-	3,700	-	43,700	-
Thomas Goh	40,000	-	-	3,700	-	43,700	-
Greg Allen	40,000	-	-	3,700	-	43,700	-
Total	**120,000**	**-**	**-**	**11,100**	**-**	**131,100**	**-**

Share-based compensation
There was no share-based compensation for the Directors in the current year.

Share holdings of key management personnel
The movement in the number of ordinary shares of Eneabba Gas Limited held, directly, indirectly or beneficially, by each Director, including their personally-related entities at balance date is as follows:

2015

Directors	Held at 1 July 2014	Movement during year	Options Exercised	Held at 30 June 2015
Morgan Barron	3,471,265	2,169,542	-	5,640,807
Garry Marsden[1]	-	-	-	-
Barnaby Egerton-Warburton[2]	-	2,083,333	-	2,083,333
Thomas Goh	8,450,554	549,446	-	9,000,000
Greg Allen[3]	-	-	-	-
Total	**11,921,819**	**4,802,321**	-	**16,724,140**

[1] Mr Marsden was appointed on 18 April 2015 with no initial holding of shares
[2] Mr Egerton-Warburton was appointed on 4 March 2015 with no initial holding of shares
[3] Mr Allen resigned on 4 March 2015

REMUNERATION REPORT (AUDITED) (CONTINUED)

2014

Directors	Held at 1 July 2013	Movement during year	Options Exercised	Held at 30 June 2014
Morgan Barron	3,414,265	57,000	-	3,471,265
Thomas Goh	8,450,554	-	-	8,450,554
Greg Allen	-	-	-	-
Total	**11,864,819**	**57,000**	-	**11,921,819**

Option holdings of key management personnel

The number of options over ordinary shares in Eneabba Gas Limited held, directly, indirectly or beneficially, by each specified Director and specified executive, including their personally-related entities as at balance date is as follows:

2015

Directors	Held at 1 July 2014	Expired during the year	Exercised during the year	Held at 30 June 2015	Vested and exercisable at 30 June 2015
Morgan Barron	2,750,000	(2,750,000)	-	-	-
Garry Marsden[1]	-	-	-	-	-
Barnaby Egerton-Warburton[2]	-	-	-	-	-
Thomas Goh	3,000,000	(3,000,000	-	-	-
Greg Allen[3]	1,000,000	(1,000,000)	-	-	-
Total	**6,750,000**	**(6,750,000)**	**-**	**-**	**-**

[1] Mr Marsden was appointed on 18 April 2015 with no initial holding of options
[2] Mr Egerton-Warburton was appointed on 4 March 2015 with no initial holding of options
[3] Mr Allen resigned on 4 March 2015

2014

Directors	Held at 1 July 2013	Movement during year	Exercised	Held at 30 June 2014	Vested and exercisable at 30 June 2014
Morgan Barron	2,750,000	-	-	2,750,000	2,750,000
Thomas Goh	3,000,000	-	-	3,000,000	3,000,000
Greg Allen	1,000,000	-	-	1,000,000	1,000,000
Total	**6,750,000**	**-**	**-**	**6,750,000**	**6,750,000**

Other related party transactions

Transactions with other related parties are made on normal commercial terms and conditions and at market rates. Outstanding balances are unsecured and are repayable in cash.

Ventnor Capital Pty Ltd, a company of which Mr Morgan Barron is a Director, provided office accommodation, bookkeeping, Accounting, CFO, company secretarial support and corporate services in relation to the administration of the Company during the year. A mandate between Eneabba Gas Limited and Ventnor Capital Pty Ltd was signed for the above services commencing from 1st December 2011.

A summary of the total fees paid and payable to Ventnor Capital Pty Ltd for the year ended 30 June 2015 is as follows:

	Consolidated	
	2015	**2014**
	$	**$**
Serviced office, company secretarial & CFO services, bookkeeping services, IT support, corporate advisory, general administration and registered office.	141,674	106,538
Financial accounting services including preparation of annual & interim reports.	19,250	17,612
Total	**160,924**	**124,150**

REMUNERATION REPORT (AUDITED) (CONTINUED)

Voting and comments made at the Company's 2014 Annual General Meeting

Eneabba Gas Limited received more than 90% of "yes" votes on its remuneration report for the 2014 financial year. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

***********END OF REMUNERATION REPORT***********

LIKELY DEVELOPMENTS

Other than as disclosed elsewhere in this report, there are no likely developments in the operations of the Group that were not finalised at the date of this report. Further information as to likely developments in the operations of the Group and Company and likely results of those operations would in the opinion of the Directors, be likely to result in unreasonable prejudice to the Group.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration as required under section 307C of the *Corporations Act 2001* for the year ended 30 June 2015 has been received and can be found on page 19.

AUDITOR

HLB Mann Judd continues in office in accordance with section 327 of the Corporation Act 2001.

PROCEEDINGS ON BEHALF OF THE GROUP

No person has applied to the Court to bring proceedings on behalf of the Group or intervene in any proceedings to which the Group is a party for the purpose of taking responsibility on behalf of the Group for all or any part of those proceedings.

The Group was not a party to any such proceedings during the year.

SHARE OPTIONS

Shares under option

As at the year end and at the date of this report the Company had a total of 15,000,000 unissued ordinary shares on which options are outstanding with a weighted average exercise price of 2.00 cents. The weighted average remaining contractual life of all share options outstanding at the end of the year is 2 years. These options are due to expire on 30 June 2017.

No ordinary shares were issued as a result of the exercise of share options during the current year. There were 24 million options outstanding on 1 July 2014 which expired on 31 August 2014.

Signed in accordance with a resolution of the Directors made pursuant to Section 298(2) of the Corporations Act 2001.

Barnaby Egerton-Warburton
Managing Director
31 August 2015

Competent Person's Statement

The reserve and resource information contained in this announcement is based on and fairly represents information and supporting documentation prepared by and under the supervision of qualified petroleum reserves and resource evaluator: Dr Bevan Warris. Dr Warris is a Certified Petroleum Geologist BSc (Hons), PhD, AAPG, and has over 48 years' experience in petroleum exploration. Dr Warris has consented in writing to the inclusion of this information in the format and context in which it appears.

The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development.

Further exploration appraisal is required to determine the existence of a significant quantity of potentially moveable hydrocarbons

Summary of Abbreviations

Bcf = Billion Cubic Feet
BOE = Barrels of Oil Equivalent
MMbbl = Million of barrels of oil
MMboe = Millions of barrels of oil equivalent
MCFPD = Thousand cubic feet of gas per day

Except where otherwise noted, all references to "$" are to Australian dollars.

CORPORATE GOVERNANCE STATEMENT

Eneabba Gas Limited and the Board are committed to achieving and demonstrating the highest standards of corporate governance. The Board continues to review the framework and practices to ensure they meet the interests of shareholders. The Group has adopted systems of control and accountability as the basis for the administration of corporate governance. The Company and its Controlled Entities together are referred to as the Group in this statement.

The Board is committed to administering the policies and procedures with openness and integrity, pursuing the true spirit of corporate governance commensurate with the Group's needs. The Corporate Governance Statement has been structured with reference to the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations with 2014 Amendments 3rd edition to the extent that they are applicable to the Group.

Information about the Group's corporate governance practices are set out below.

THE BOARD OF DIRECTORS

The Group's Constitution provides that the number of Directors shall not be less than three. There is no requirement for any shareholding qualification.

If the Group's activities increase in size, nature and scope, the size of the Board will be reviewed periodically and the optimum number of Directors required to adequately supervise the Group's activities will be determined within the limitations imposed by the Constitution and as circumstances demand.

The membership of the Board, its activities and composition is subject to periodic review. The criteria for determining the identification and application of a suitable candidate for the Board shall include quality of the individual, background of experience and achievement, compatibility with other Board members, credibility within the Group's scope of activities, intellectual ability to contribute to Board duties and physical ability to undertake Board duties and responsibilities. Performance was evaluated continuously during the reporting period.

The Board's skills matrix indicates the mix of skills, experience and expertise that are considered necessary at Board level for optimal performance of the Board. The matrix reflects the Board's objective to have an appropriate mix of industry and professional experience including skills such as leadership, governance, strategy, finance, risk, IT, HR, policy development, international business and customer relationship. External consultants may be brought it with specialist knowledge to address areas where this is an attribute deficiency in the Board.

Directors are initially appointed by the full Board, subject to election by shareholders at the next Annual General Meeting. Under the Group's Constitution the tenure of a Director (other than Managing Director, and only one Managing Director where the position is jointly held) is subject to reappointment by shareholders not later than the third anniversary following his or her last appointment. Subject to the requirements of the Corporations Act, the Board does not subscribe to the principle of retirement age and there is no maximum period of service as a Director. A Managing Director may be appointed for the year and on any terms the Directors think fit and, subject to the terms of any agreement entered into, the appointment may be revoked on notice. Written agreements with each Director and Senior Executive setting out the terms of their appointment is obtained at election.

The Group is not currently of a size, nor are its affairs of such complexity, to justify the formation of other separate or special committees at this time. The Board as a whole is able to address the governance aspects of the full scope of the Group's activities and to ensure that it adheres to appropriate ethical standards. The Company encourages the external auditor to attend and address any security holder questions relevant to the audit.

The Company Secretary is accountable directly to the board, through the chair, on all matters to do with proper board functioning.

INDEPENDENCE

Directors have been selected to bring specific skills and industry experience to the Company. The Board has an expansive range of relevant industry experience, financial, legal and other skills and expertise to meet its objectives. The current board composition includes three independent director in Mr Garry Marsden, Mr Thomas Goh and Mr Morgan Barron, and one non-independent director Mr Barnaby Egerton-Warburton.

CORPORATE GOVERNANCE STATEMENT (CONTINUED)

When determining the independent status of each Director the board has considered whether the Director:

- Is a substantial shareholder of the Company or an officer of, or otherwise associated directly with, a substantial shareholder of the Company.
- Is employed, or has previously been employed in an executive capacity by the Company or another Group member, and there has not been a period of at least three years between ceasing such an employment and serving on the board.
- Has within the last three years been a principal of a material professional adviser or a material consultant to the Company or another Group member, or an employee materially associated with the services provided.
- Is a material supplier or customer of the Company or other Group member, or an officer of or otherwise associated directly or indirectly with a material supplier or customer.
- Has a material contractual relationship with the Company or another Group member other than as a Director.

APPOINTMENTS TO OTHER BOARDS

Directors are required to take into consideration any potential conflicts of interest when accepting appointments to other boards.

INDEPENDENT PROFESSIONAL ADVICE

The Board has determined that individual Directors have the right in connection with their duties and responsibilities as Directors, to seek independent professional advice at the Company's expense. With the exception of expenses for legal advice in relation to Directors' rights and duties, the engagement of an outside adviser is subject to prior approval of the Chairman and this will not be withheld unreasonably.

GENDER DIVERSITY

The Board has a commitment to promoting a corporate culture that is supportive of diversity and encourages the transparency of Board processes, review and appointment of Directors. The Board (or if requested by the Board, the Remuneration and Nominations Committee) are responsible for developing policies in relation to the achievement of measurable diversity objectives and the extent to which they will be linked to the Key Performance Indicators for the Board, CEO and senior executives.

If requested by the Board, the Remuneration and Nominations Committee will report on the Company's progress against the objectives and its strategies for achieving a diverse workplace. The report will also include the proportion of female employees in the Company at senior management level and at Board level for inclusion in the Annual Report each financial year. A copy of the Diversity Policy can be found of the website www.eneabbagas.com.au.

The Company has not adopted an express policy specifically addressing achievement of gender diversity. Due to the current limited size of the Board, the Board does not consider it necessary to have a gender diversity policy, but will consider adopting a policy in the future. Furthermore, the Company has not set any objectives for achieving gender diversity. Should a gender diversity policy be considered appropriate for the Company in the future due to increases in size of the organisation, the policy will specifically deal with the objectives for achieving diversity.

The Company's corporate code of conduct provides a framework for undertaking ethical conduct in employment. Under the corporate code of conduct, the Company will not tolerate any form of discrimination or harassment in the workplace.

The Company currently has no female board members, senior executives or employees.

CONTINUOUS REVIEW OF CORPORATE GOVERNANCE

Directors consider, on an ongoing basis, how management information is presented to them and whether such information is sufficient to enable them to discharge their duties as Directors of the Company. Such information must be sufficient to enable the Directors to determine appropriate operating and financial strategies from time to time in light of changing circumstances and economic conditions. The Directors recognise that UCG exploration and power station development are businesses with inherent risks and that operational strategies adopted should, notwithstanding, be directed towards improving or maintaining the net worth of the Company.

CORPORATE GOVERNANCE STATEMENT (CONTINUED)

CONTINUOUS DISCLOSURE

As a publicly listed Company, the Company has an obligation to ensure trading in its securities is conducted on a fair basis. The general continuous disclosure rules are contained in Australian Stock Exchange (ASX) Listing Rule 3.1.

The Company is obliged (subject to specific exceptions) to advise the ASX of any information that a reasonable person would except to have material effect on the price or value of Eneabba securities.

The failure to comply with ASX Listing Rule 3.1 is an offence under the Corporations Act. Thus the Company and its employees must comply with the law regarding continuous disclosure. Guidelines on Continuous Disclosure have been developed and approved by the Board to assist employees to comply with the spirit as well as the letter of the continuous disclosure laws

CODE OF CONDUCT

The Company has adopted a Code of Conduct for company executives that promotes the highest standards of ethics and integrity in carrying out their duties to the Company.

The Code of Conduct can be found on the Company's website at www.eneabbagas.com.au.

COMMUNICATIONS POLICY

In accordance with ASX Corporate Governance Recommendation 6.1 the Board has established a communication policy. The strategy is to ensure that all investors are to have equal and timely access to material information concerning the Company, including its financial position, performance, ownership and governance. The Board has delegated the function of continuous disclosure under the ASX's Listing Rules to the Managing Director and the Company Secretary, to assess the type and requirements to be disclosed to ensure that the Company announcements are made in a timely manner, are factual, do not omit material information and are in compliance with the Listing Rules.

A Company website, will invite shareholders / investors who have registered their details with the Company to be given information by later broadcast after such information has been first released to the ASX. Shareholders will be actively encouraged to attend and participate in general meetings which will be held in locations readily accessible to the majority of shareholders.

The Company Secretary will deal with any queries from shareholders, stockbrokers, analysts and specialist financial and banking individuals. No analyst, stockbroker or financial adviser will be given any access to company information, until an approval for release by the Company is confirmed by the appropriate executive

The Chairman, Managing Director and Company Secretary shall each take responsibility to ensure that they are kept up-to-date with the status of public disclosure relating to the Company. In regard to statements to the ASX/ASIC, only the Chairman, Managing Director or Company Secretary will sign these written communications, which shall not be released to the public until confirmation of receipt by the ASX/ASIC has been confirmed.

RISK MANAGEMENT SYSTEMS

The identification and management of risk, including calculated risk-taking activity is viewed by management as an essential component in creating shareholder value.

The Board of Directors is responsible for developing, maintaining and improving the Company's risk management and internal control system. The Board identifies areas of potential risks and ensures safeguards are in place to efficiently manage material business risks. A register of material business risks has been established, risks have been analysed and evaluated, risk management processes and controls are in place and reporting schedules developed. These risk management and internal control systems are in place to protect the financial statements of the entity from potential misstatement, and the Board is responsible for satisfying itself annually, or more frequently as required, that a sound system of risk management and internal control is in place.

Strategic and operational risks are reviewed at least annually as part of the forecasting and budgeting process. The Group has identified and actively monitors risks inherent in the industry in which the Group operates. There has been a review of this framework within the reporting period.

CORPORATE GOVERNANCE STATEMENT (CONTINUED)

The Board also receives a written assurance from the Managing Director and Company Secretary that to the best of his or her knowledge and belief, the declaration provided to the Board in accordance with section 295A of the Corporations Act is founded on a sound system of risk management and internal control, and that the system is operating effectively in relation to financial reporting risks. The Board notes that due to its nature, internal control assurance from the Company Secretary can only be reasonable rather than absolute. This is due to such factors as the need for judgement, the use of testing on a sample basis, the inherent limitations in internal control and because much of the evidence is persuasive rather than conclusive and therefore is not and cannot be designed to detect all weaknesses in internal control procedures.

ASX PRINCIPLES OF GOOD CORPORATE GOVERNANCE

The Board has reviewed its current practices in light of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations with 2014 Amendments 3rd edition with a view to making amendments where applicable after considering the Company's size and the resources it has available.

As the Company's activities develop in size, nature and scope, the size of the Board and the implementation of any additional formal corporate governance committees will be given further consideration.

The following table sets out the ASX Corporate Governance Guidelines with which the Company does not comply:

ASX Principle		Reference/comment
Principle 1: Lay solid foundations for management and oversight		
1.5	The Board should establish a diversity policy	The Company has not adopted an express policy specifically addressing achievement of gender diversity. Due to the current limited size of the Board, the Board does not consider it necessary to have a gender diversity policy, but will consider adopting a policy in the future. Furthermore, the Company has not set any objectives for achieving gender diversity. Should a gender diversity policy be considered appropriate for the Company in the future due to increases in size of the organisation, the policy will specifically deal with the objectives for achieving diversity. The Company's corporate code of conduct provides a framework for undertaking ethical conduct in employment. Under the corporate code of conduct, the Company will not tolerate any form of discrimination or harassment in the workplace.
Principle 2: Structure the Board to add value		
2.1	The Board should establish a nomination committee	Given the size of the Board there is no formal nomination committee. Acting in its ordinary capacity from time to time as required, the Board carries out the process of determining the need for, screening and appointing new Directors. In view of the size and resources available to the Company, it is not considered that a separate nomination committee would add any substance to this process.
Principle 4: Safeguard integrity in financial reporting		
4.1	The Board should establish an audit committee	The Company does not have an Audit Committee. The Board believes that, with only 4 Directors on the Board, the Board itself is the appropriate forum to deal with this function.
Principle 7: Recognise and manage risk		
7.1-2	The Board should establish an risk committee	The Company does not have a Risk Committee. The Board believes that, with only 4 Directors on the Board, the Board itself is the appropriate forum to deal with this function. The board continuously reviews and addresses risk facing the Company.
Principle 8: Remunerate fairly and responsibly		
8.1	The Board should establish a remuneration committee	Given the current size of the Board, the Company does not have a remuneration committee. The Board as a whole reviews remuneration levels on an individual basis, the size of the Company making individual assessment more appropriate than formal remuneration policies. In doing so, the Board seeks to retain professional services as it requires, at reasonable market rates, and seeks external advice and market comparisons where necessary.

HLB Mann Judd

Accountants | Business and Financial Advisers

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the audit of the consolidated financial report of Eneabba Gas Limited for the year ended 30 June 2015, I declare that to the best of my knowledge and belief, there have been no contraventions of:

a) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

b) any applicable code of professional conduct in relation to the audit.

Perth, Western Australia
31 August 2015

L Di Giallonardo
Partner

HLB Mann Judd (WA Partnership) ABN 22 193 232 714
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CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 30 June 2015

	Note	Consolidated 2015 $	Consolidated 2014 $
Revenue			
Finance income	4	57,914	64,402
Other income		10,826	10,702
Total revenue		**68,740**	**75,104**
Depreciation	11(b)	(17,547)	(18,826)
Employee benefits expenses	5(a)	(158,619)	(91,100)
Feasibility study		(10,585)	(8,652)
Impairment of capitalised exploration & evaluation expenditure	10	-	(1,937,543)
Other expenses		(376,471)	(187,799)
Petroleum exploration feasibility costs		(18,754)	(52,393)
Total costs		**(581,976)**	**(2,296,313)**
Loss before income tax expense		**(513,236)**	**(2,221,209)**
Income tax benefit	7	-	63,270
Loss for the year		**(513,236)**	**(2,157,939)**
Other Comprehensive Income		-	-
Total Comprehensive Loss for the year end		**(513,236)**	**(2,157,939)**
Basic and diluted Loss per share – cents per share	6	(0.23)	(1.35)

The above Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the accompanying notes.

ENEABBA GAS LIMITED
ABN: 69 107 385 884

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2015

	Note	Consolidated 30 June 2015 $	Consolidated 30 June 2014 $
ASSETS			
Current assets			
Cash and cash equivalents	8	1,499,991	1,776,964
Receivables	9	13,312	14,004
Prepayments		4,476	3,152
Total current assets		**1,517,779**	**1,794,120**
Non-current assets			
Exploration and evaluation expenditure	10	850,000	-
Capitalised acquisition costs	12	50,803	-
Property, plant and equipment	11	1,679,883	1,697,430
Total non-current assets		**2,580,686**	**1,697,430**
TOTAL ASSETS		**4,098,465**	**3,491,550**
LIABILITIES			
Current liabilities			
Trade and other payables	13	53,705	57,472
Total current liabilities		**53,705**	**57,472**
TOTAL LIABILITIES		**53,705**	**57,472**
NET ASSETS		**4,044,760**	**3,434,078**
EQUITY			
Issued capital	14	14,249,958	13,254,665
Reserves	14	128,625	1,315,738
Accumulated losses		(10,333,823)	(11,136,325)
TOTAL EQUITY		**4,044,760**	**3,434,078**

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the year ended 30 June 2015

Consolidated 2014	Issued Capital $	Option Reserve $	Accumulated Losses $	Total Equity $
Total equity at the beginning of the year	13,254,665	1,315,738	(8,978,386)	5,592,017
Total comprehensive loss for the year	-	-	(2,157,939)	(2,157,939)
Total equity at 30 June 2014	**13,254,665**	**1,315,738**	**(11,136,325)**	**3,434,078**

Consolidated 2015	Note	Issued Capital $	Option Reserve $	Accumulated Losses $	Total Equity $
Total equity at the beginning of the year		**13,254,665**	**1,315,738**	**(11,136,325)**	**3,434,078**
Total comprehensive loss for the year		-	-	(513,236)	(513,236)
Transactions with equity holders:					
Share-based payments	18	-	128,625	-	128,625
Issued capital	14	1,203,135	-	-	1,203,135
Share issue costs	14	(207,842)	-	-	(207,842)
Transfer of expired options	14	-	(1,315,738)	1,315,738	-
Total equity at 30 June 2015		**14,249,958**	**128,625**	**(10,333,823)**	**4,044,760**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

CONSOLIDATED STATEMENT OF CASH FLOWS
For the year ended 30 June 2015

	Note	Consolidated 2015 $	Consolidated 2014 $
Cash flows from operating activities			
Interest received		60,929	66,486
Other income		10,826	10,702
Payments to suppliers and employees		(377,188)	(201,295)
Petroleum exploration feasibility costs		(10,584)	(52,393)
Power station feasibility costs		(18,753)	(34,318)
Project marketing cost		(57,832)	(36,667)
Project due diligence		(107,485)	-
Research and development tax refund received		-	63,270
Net cash (used in) operating activities	15	**(500,087)**	**(184,215)**
Cash flows from investing activities			
Capitalised acquisition costs		(50,803)	(57,023)
Cash paid on acquisition of subsidiary	17	(850,000)	-
Net cash (used in) investing activities		**(900,803)**	**(57,023)**
Cash flows from financing activities			
Proceeds from share issue		1,203,135	-
Capital raising costs		(79,218)	-
Net cash flows provided by financing activities		**1,123,917**	**-**
Net (decrease) in cash and cash equivalents		(276,973)	(241,238)
Cash and cash equivalents at the beginning of the year		1,776,964	2,018,202
Cash and cash equivalents at the end of the year	8	**1,499,991**	**1,776,964**

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

NOTE 1: REPORTING ENTITY

Eneabba Gas Limited (the "Company") is a company domiciled in Australia. The consolidated financial report of the Company as at and for the year to 30 June 2015 comprises the Company and its subsidiaries (collectively referred to as the "Group").

A description of the nature of the Group's operations and its principal activities is included in the Operating and Financial Review in the Directors' report on page 4, which does not form part of this financial report.

NOTE 2: BASIS OF PREPARATION

This General Purpose Financial Report has been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (including Australian Interpretations) and the *Corporations Act 2001*.

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the financial statements and notes thereto, complies with International Financial Standards (IFRS).

Eneabba Gas Limited was incorporated in Australia on 12 December 2003 and is a company limited by shares. The financial report is presented in the functional currency of the Group, being Australian Dollars.

This Consolidated Financial Report was approved by the Board of Directors on 31 August 2015.

<u>Financial Position</u>

The financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and the settlement of liabilities in the normal course of business.

The Group has generated a comprehensive loss after tax for the year ended 30 June 2015 of $513,236, had a net working capital surplus of $1,464,074 at 30 June 2015 and experienced net cash outflows from operating activities for the year of $500,087.

Accordingly, the Directors believe that there are sufficient funds to meet the Group's working capital requirements.

The Directors consider the going concern basis of preparation to be appropriate based on forecast cash flows and have confidence in the Company's ability to raise additional funds if required.

<u>Historical cost convention</u>

These financial statements have been prepared under the historical cost convention.

The significant policies which have been adopted in the preparation of this financial report are detailed below. These accounting policies have been consistently applied to all of the years presented unless otherwise stated.

NOTE 3: SIGNIFICANT ACCOUNTING POLICIES

(a) Principles of Consolidation

<u>Subsidiaries</u>

The consolidated financial statements comprise the assets and liabilities of Eneabba Gas Limited and its subsidiaries at 30 June 2015 and the results of the subsidiaries for the year then ended. A subsidiary is any entity controlled by Eneabba Gas Limited.

Subsidiaries are all those entities over which the Company has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Company controls another entity.

NOTE 3: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Principles of Consolidation (Continued)

The financial statements of subsidiaries are prepared for the same reporting year end as the Parent Company, using consistent accounting policies. Adjustments are made to bring into line any dissimilar accounting policies that may exist.

All inter-company balances and transactions, including unrealised profits arising from intra-entity transactions, have been eliminated in full. Unrealised losses are eliminated unless costs cannot be recovered. Investments in subsidiaries are accounted for at cost in the individual financial statements of Eneabba Gas Limited.

Subsidiaries are consolidated from the date on which control is obtained by the Group and cease to be consolidated from the date on which control is transferred out of the Group. Where there is a loss of control of a subsidiary, the consolidated financial statements include the results for the part of the reporting year in which Eneabba Gas Limited has control.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. The acquisition method of accounting involves recognising at acquisition date, separately from goodwill, the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree. The identifiable assets acquired and the liabilities assumed are measured at their acquisition date fair values (see note 3(h)).

A change in the ownership interest of a subsidiary that does not result in a loss of control is accounted for as an equity transaction.

Non-controlling interests are allocated their share of net profit after tax in the statement of profit or loss and other comprehensive income and are presented within equity in the consolidated statement of financial position, separately from the equity of the owners of the Company.

Losses are attributed to the non-controlling interest even if that results in a deficit balance.

If the Group loses control over a subsidiary, it:
- Derecognises the assets (including any goodwill) and liabilities of the subsidiary.
- Derecognises the carrying amount of any non-controlling interest.
- Derecognises the cumulative translation differences, recorded in equity.
- Recognises the fair value of the consideration received.
- Recognises the fair value of any investment retained.
- Recognises any surplus or deficit in profit or loss.
- Reclassifies the parent's share of components previously recognised in other comprehensive income to profit or loss.

(b) Segment Reporting

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. This includes start-up operations which are yet to earn revenues. Management will also consider other factors in determining operating segments such as the existence of a line manager and the level of segment information presented to the board of directors.

Operating segments have been identified based on the information provided to the chief operating decision makers – being the board of directors.

The group aggregates two or more operating segments when they have similar economic characteristics, and the segments are similar in the nature of the minerals targeted.

Operating segments that meet the quantitative criteria as prescribed by AASB 8 are reported separately. However, an operating segment that does not meet the quantitative criteria is still reported separately where information about the segment would be useful to users of the financial statements.

Information about other business activities and operating segments that are below the quantitative criteria are combined and disclosed in a separate category for “all other segments” (refer to Note 21).

NOTE 3: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Income Tax

The income tax expense or benefit for the year is the tax payable on the current year's taxable income based on the notional income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, and to unused tax losses.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered or liabilities are settled, based on those tax rates which are enacted or substantively enacted for each jurisdiction. The relevant tax rates are applied to the cumulative amounts of deductible and taxable temporary differences to measure the deferred tax asset or liability. An exception is made for certain temporary differences arising from the initial recognition of an asset or a liability. Exceptions are also made for the recognition of goodwill, investment in associates and interests in joint ventures. No deferred tax asset or liability is recognised in relation to these temporary differences if they arose in a transaction, other than a business combination, that at the time of the transaction did not affect either accounting profit or taxable profit or loss.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. Current and deferred tax balances attributable to amounts recognised directly in equity are also recognised directly in equity.

(d) Goods and Services Tax

Revenues, expenses and assets are recognised net of the amount of goods and services tax ("GST"), except where the GST incurred on a purchase of goods and services is not recoverable from the taxation authorities, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense item as applicable and receivables and payables in the statement of financial position are shown inclusive of GST.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position. Cash flows are included the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(e) Trade and Other Receivables

Trade and other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to another party with no intention of selling the receivables. They are included in current assets, except for those with maturities greater than 12 months after the balance date which are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method, less any impairment losses.

NOTE 3: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(f) Exploration and Evaluation Expenditure

Exploration and evaluation expenditure incurred is either written off as incurred or accumulated in respect of each identifiable area of interest. Costs are only carried forward to the extent that right of tenure is current and those costs are expected to be recouped through the successful development of the area (or, alternatively by its sale) or where activities in the area have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves and significant operations in relation to the area are continuing.

Accumulated costs in relation to an abandoned area are written off in full against profit or loss in the year in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are transferred to development expenditure and amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

(g) Property, Plant and Equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the items. Repairs and maintenance are charged to the statement of profit or loss and other comprehensive income during the reporting year in which they were incurred.

Depreciation is calculated using the straight-line method to allocate asset costs over their estimated useful lives, as follows:

- Computer equipment 3 years
- Software 3 years
- Plant & equipment 5 years
- Property infrastructure 13 to 20 years

Each asset's residual value and useful life is reviewed, and adjusted if appropriate, at each balance date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit or loss and other comprehensive income.

Freehold land is carried at cost and is not depreciated.

(h) Business Combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. Cost is measured as the fair value of the assets given, securities issued or liabilities incurred or assumed at the date of exchange plus costs directly attributable to the acquisition. Where equity instruments are issued in an acquisition, the fair value of the instruments is their published market price as at the date of exchange unless, in rare circumstances, it can be demonstrated that the published price at the date of exchange is an unreliable indicator of fair value and that other evidence and valuation methods provide a more reliable measure of fair value. Transaction costs arising on the issue of equity instruments are recognised directly in equity.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the Group's share of the fair value of the identifiable net assets of the subsidiary acquired, the difference is recognised directly in the statement of profit or loss and other comprehensive income, but only after a reassessment of the identification and measurement of the net assets acquired.

NOTE 3: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(i) Impairment of Non-Financial Assets

Where an indicator of impairment exists, the Group makes a formal estimate of the recoverable amount. Where the carrying amount of an asset or cash generating unit exceeds its recoverable amount the asset or cash generating unit is considered impaired and is written down to its recoverable amount.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets or groups of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the “cash-generating unit”). Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of combination.

(j) Share-Based Payments

The Group has provided payment to service providers and related parties in the form of share-based compensation, whereby services are rendered in exchange for shares or rights over shares (‘equity-settled transactions’). The cost of these equity-settled transactions is measured by reference to the fair value at the date at which they are granted. The fair value is determined using an appropriate option valuation model for services provided by employees or where the fair value of the shares received cannot be reliably estimated.

For goods and services received where the fair value can be determined reliably the goods and services and the corresponding increase in equity are measured at that fair value.

The fair value of the options granted is adjusted to reflect market vesting conditions, but excludes the impact of any non-market vesting conditions. Non market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each balance date, the entity revises its estimates of the number of options that are expected become exercisable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant parties become fully entitled to the award (‘vesting date’).

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects (i) the extent to which the vesting period has expired and (ii) the number of awards that, in the opinion of the Directors of the Group, will ultimately vest. This opinion is formed based on the best available information at balance date. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in the value of the transaction as a result of the modification, as measured at the date of modification.

(k) Cash and Cash Equivalents

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purposes of the statement of cash flows cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(l) Finance income and expense

Finance income comprises interest income on funds invested, gains on disposal of financial assets and changes in fair value of financial assets held at fair value through profit or loss. Finance expenses comprise changes in the fair value of financial assets held at fair value through profit or loss and impairment losses on financial assets.

Interest income is recognised as it accrues in profit or loss, using the effective interest rate method.

NOTE 3: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(m) Issued Capital

Ordinary shares are classified as equity. Issued and paid up capital is recognised at the fair value of the consideration received by the Company. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

(n) Earnings per Share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to equity holders of the Company, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(o) Trade and other Payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition.

Trade and other payables are stated at amortised cost, using the effective interest method.

(p) Foreign Currency Translation

(i) Functional and presentation currency

Both the functional and presentation currency of Eneabba Gas Limited and its subsidiaries is the Australian Dollar ($).

(ii) Transactions and balances

Transactions in foreign currencies are initially recorded in the functional currency by applying the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

(q) Significant Accounting Estimates and Assumptions

Critical accounting estimates

The preparation of financial statements in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The Directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting year end are:

NOTE 3: SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(q) Significant Accounting Estimates and Assumptions (Continued)

(i) Impairment of capitalised exploration and evaluation expenditure

The future recoverability of capitalised exploration and evaluation expenditure is dependent on a number of factors, including whether the Group decides to exploit the related lease itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale.

Factors that could impact the future recoverability include the level of reserves and resources, future technological changes, which could impact the cost of mining, future legal changes (including changes to environmental restoration obligations) and changes to commodity prices.

To the extent that capitalised exploration and evaluation expenditure is determined not to be recoverable in the future, profits and net assets will be reduced in the year in which this determination is made.

In addition, exploration and evaluation expenditure is capitalised if activities in the area of interest have not yet reached a stage that permits a reasonable assessment of the existence or otherwise of economically recoverable reserves. To the extent it is determined in the future that this capitalised expenditure should be written off, profits and net assets will be reduced in the year in which this determination is made.

(ii) Recoverability of potential deferred tax assets

The Group recognises deferred income tax assets in respect of tax losses to the extent that it is probable that the future utilisation of these losses is considered probable. Assessing the future utilisation of these losses requires the Group to make significant estimates related to expectations of future taxable income. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws. To the extent that future cash flows and taxable income differ significantly from estimates, this could result in significant changes to the deferred income tax assets recognised, which would in turn impact the financial results.

(iii) Share-based payment transactions

The Group measures the cost of equity-settled transactions with management and other parties by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by the Board of Directors using either the Binomial or the Black-Scholes valuation methods, taking into account the terms and conditions upon which the equity instruments were granted. The assumptions in relation to the valuation of the equity instruments are detailed in the notes in periods when such equity instruments are issued. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting year end but may impact expenses and equity.

(r) Comparative Information

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

(s) New Accounting Standards for Application in Future Years

In the year ended 30 June 2015, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to its operations and effective for the current annual reporting year. It has been determined by the Directors that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Group's business and, therefore, no change is necessary to Group accounting policies.

The Directors have also reviewed all new Standards and Interpretations that have been issued but are not yet effective for the year ended 30 June 2015. As a result of this review the Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Group's business and, therefore, no change necessary to Group accounting policies.

Parent Entity information

The financial statements for the parent entity, Eneabba Gas Limited, disclosed in Note 22 have been prepared on the same basis as the consolidated financial statements.

NOTE 4: INCOME

	Consolidated	
	2015	**2014**
	$	**$**
Finance income		
Interest income	57,915	64,402
Total finance income	**57,915**	**64,402**

NOTE 5: SIGNIFICANT PROFIT / (LOSS) ITEMS

	Consolidated	
	2015	**2014**
	$	**$**
Profit / loss before income tax is determined after crediting (charging) the following items**:**		
Finance revenue – banks	57,915	64,402
Depreciation of plant and equipment	(17,547)	(18,826)
Impairment of capitalised exploration & evaluation expenditure (Note 10)	-	(1,937,543)

NOTE 5 (a): EMPLOYEE BENEFITS

	Consolidated	
	2015	**2014**
	$	**$**
Director fees, wages, salaries and superannuation	(158,619)	(91,100)
Total employee benefits	**(158,619)**	**(91,100)**

NOTE 6: LOSS PER SHARE

	Consolidated	
	2015	**2014**
	$	**$**
Basic and diluted (loss) per share – cents	(0.23)	(1.35)
(Loss) used in the calculation of basic and diluted loss per share	(513,236)	(2,157,939)
Weighted average number of ordinary shares outstanding during the year used in calculation of basic loss per share	219,417,378	160,418,038
Weighted average number of ordinary shares outstanding during the year used in calculation of diluted loss per share	219,417,378	160,418,038

Options outstanding during the prior year have not been taken into account in the calculation of the weighted average number of ordinary shares as they are considered anti-dilutive.

NOTE 7: INCOME TAX

	Consolidated	
	2015	2014
	$	$
Loss before tax	(513,236)	(2,221,209)
Tax at the statutory rate of 30% (2014: 30%):	(153,971)	(666,363)
Effect of tax losses and tax offsets not recognised as deferred tax assets	153, 971	666,363
Research and development tax offset	-	63,270
Income tax benefit recognised in profit or loss	**-**	**63,270**

Deferred tax assets and liabilities are attributable to the following:

	Consolidated					
	Assets		Liabilities		Net	
	2015 $	2014 $	2015 $	2014 $	2015 $	2014 $
Accruals	(4,950)	(10,373)	-	-	(4,950)	(10,373)
Superannuation payable	(363)	(307)	-	-	(363)	(307)
Capital raising	(12,471)	-	-	-	(12,471)	-
Tax (assets) liabilities	(17,784)	(10,680)	-	-	-	-
Set off of tax	17,784	10,680	-	-	-	-
Net tax (assets) liabilities	-	-	-	-	-	-

Movements in temporary differences during the year – 2015

	Balance 1 July 2014	Recognised in Income	Recognised in Equity	Balance 30 June 2015
Exploration and evaluation assets	-	-	-	-
Accruals	(10,373)	5,423	-	(4,950)
Superannuation payable	(307)	(56)	-	(363)
Capital raising	-	-	(12,471)	(12,471)
Tax losses	10,680	(5,367)	12,471	17,784
	-	-	-	-

Movements in temporary differences during the year – 2014

	Balance 1 July 2013	Recognised in Income	Recognised in Equity	Balance 30 June 2014
Exploration and evaluation assets	564,156	(564,156)	-	-
Accruals	(8,100)	(2,273)	-	(10,373)
Superannuation payable	-	(307)	-	(307)
Capital raising	(82,475)	-	82,475	-
Tax losses	(473,581)	566,736	(82,475)	10,680
	-	-	-	-

NOTE 7: INCOME TAX (CONTINUED)

Unrecognised deferred tax assets
Deferred tax assets have not been recognised in respect of the following items:

	Consolidated	
	2015	**2014**
	$	**$**
Tax losses	3,399,296	3,227,542

The tax losses do not expire under current tax legislation and have been disclosed on a tax effected basis.

Deferred tax assets have not been recognised in respect of these items because, pending commercial operations, it is not yet probable that future taxable profit will be available against which the Group can utilise these benefits.

Tax Consolidation
Eneabba Gas Limited and its wholly-owned Australian subsidiaries have formed an income tax consolidated group under the Tax Consolidation Regime. Each entity in the group recognises its own current and deferred tax liabilities, except for any deferred tax liabilities resulting from unused tax losses and tax credits, which are immediately assumed by the parent entity. The current tax liability of each group entity is then subsequently assumed by the parent entity.

NOTE 8: CASH AND CASH EQUIVALENTS

	Consolidated	
	2015	**2014**
	$	**$**
Reconciliation to Statement of Financial Position		
Cash at bank	1,499,991	1,776,964
Total cash and cash equivalents[1]	**1,499,991**	**1,776,964**

[1] Cash at bank is subject to floating interest rates at an effective interest rate of 2.52% (2014: 3.52%)

NOTE 9: TRADE AND OTHER RECEIVABLES

	Consolidated	
	2015	**2014**
	$	**$**
Current		
Other receivables:		
Interest receivable	-	13,511
Other receivables[1]	13,312	493
Total trade and other receivables (net of GST)	**13,312**	**14,004**

[1] Other receivables are non-trade receivables, are non-interest bearing and have an average term of 3 months and generally receivable from the ATO for GST.

The above amounts do not bear interest and their carrying amount is equivalent to their fair value.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

NOTE 10: EXPLORATION AND EVALUATION EXPENDITURE

	Consolidated	
	2015	**2014**
	$	**$**
Exploration and evaluation expenditure	850,000	-
Carrying amount at beginning of year	-	1,880,520
Additions	850,000	57,023
Impairment (1)	-	(1,937,543)[1]
Carrying amount at year end – exploration and evaluation phase	**850,000**	**-**

(1) The capitalised exploration and evaluation expenditure in relation to the Sargon UCG coal resource project was fully impaired to nil at 30 June 2014 due to indicators of impairment existing on the project.

The recoupment of costs carried forward in relation to areas of interest in the exploration and evaluation phase is dependent on the successful development and commercial exploitation or sale of the respective areas.

Exploration Commitments
In order to maintain rights of tenure to its exploration permit, the Group has certain obligations to perform minimum exploration work and expend minimum amounts of money.

These commitments may be varied as a result of renegotiations, relinquishments, farm-outs, sales or carrying out work in excess of the permit obligations. The minimum expenditure required by the Group on its exploration permit as at the balance sheet date for the next 12 months as required by the Department of Mines & Petroleum is given below. Commitments beyond this time frame cannot be estimated reliably as minimum expenditure requirements are reassessed annually. These commitments have not been provided for in the financial report, and are payable as follows:

	Consolidated	
	2015	**2014**
	$	**$**
Within one year	845,819	87,000
Within two years to five years	3,268,681	-
Later than five years	-	-
Total	**4,114,500**	**87,000**

The commitments above reflect the 50% ownership commitments of EP447 to the Company. The Sargon UCG Project was relinquished subsequent to the balance date and therefore the Company is not required to meet any expenditure commitments in the future and these costs have not been reflected in the this note..

As disclosed in Note 12, Eneabba will be committed to expenditure commitments in relation to the Ocean Hill permit when the acquisition is finalised, however Eneabba has entered into a conditional farm-in agreement for Finder No 6 Pty Ltd to meet these commitments.

NOTE 11: PROPERTY, PLANT AND EQUIPMENT

	Consolidated	
(a) Carrying Values	**2015**	**2014**
	$	**$**
Freehold land at cost	1,547,572	1,547,572
Fencing and fire mitigation at written down value	131,056	148,463
Storage container at written down value	1,255	1,395
Total	**1,679,883**	**1,697,430**

(b) Total Depreciation Expense	**17,547**	**18,826**

(c) Reconciliations

Reconciliations of the carrying amounts for each class of property, plant and equipment are as follows:

Freehold land		
Carrying amount at beginning of year	1,547,572	1,547,572
Carrying amount at end of year	**1,547,572**	**1,547,572**
Fencing and fire mitigation		
Carrying amount at beginning of year	148,463	167,134
Depreciation expense	(17,407)	(18,671)
Carrying amount at end of year	**131,056**	**148,463**
Storage container		
Carrying amount at beginning of year	1,395	1,550
Depreciation expense	(140)	(155)
Carrying amount at end of year	**1,255**	**1,395**

NOTE 12: OTHER NON-CURRENT ASSETS

	Consolidated	
	30 June 2015 $	**30 June 2014 $**
Other Non-Current Assets		
Acquisition costs of Ocean Hill gas project	50,803	-
Total Other Non-Current Assets	**50,803**	**-**

On 22 October 2014, the Company announced it had executed a conditional agreement with ASX Listed Black Rock Mining Limited ("Black Rock") to acquire 100% of the Ocean Hill Block Application located in the North Perth Basin, Western Australia.

Eneabba and Black Rock entered into a Permit Sale Agreement whereby Eneabba may acquire 100% of the Ocean Hill Block for the following consideration:

- Upfront payment of $30,000 on signing of binding agreement;
- Cash payment of $300,000;
- 40,000,000 Eneabba Ordinary Shares; and
- Eneabba to pay applicable native title costs to a maximum of $75,000.

NOTE 12: OTHER NON-CURRENT ASSETS (CONTINUED)

The Permit Sale Agreement is subject to the following conditions:-

- Completion of due diligence to the satisfaction of Eneabba within 30 days;
- Eneabba obtaining all necessary consents and approvals as are required, including shareholder approvals, approvals under ENB's constitution, the ASX Listing Rules and the Corporations Act, to give effect to the transactions contemplated by this Agreement;
- Execution by the Vendor and the Amangu Native Title Claimants of the Amangu Native Title Agreement to the satisfaction of Eneabba;
- All conditions required by the Department of Minerals and Petroleum being met to enable the grant of the Permit; and
- The Vendor obtaining any consent or approval (including any consent or approval under the Act) required to transfer the Permit from the Vendor to Eneabba or its newly incorporated subsidiary, Ocean Hill Pty Ltd.

As part of Black Rock's application for the Ocean Hill permit, Black Rock bid a year one expenditure commitment of $5 million and a year two expenditure commitment of $8 million to win the Permit. Eneabba is required to meet these commitments with the Department of Mines and Petroleum when the permit is granted and transferred.

On 21 November 2014 the Company completed due diligence on the Ocean Hill project and on 27 November 2014 the Company received shareholder approval for the acquisition of the Ocean Hill project.

As at 30 June 2015, the acquisition of the Project had not been finalised as the Company was waiting on the execution of the native title agreements and subsequent granting of the permit by the Department of Minerals and Petroleum to Black Rock.

A total amount of $50,803 had been capitalised at 30 June 2015 representing the $30,000 paid to Black Rock on signing of the Permit Sale Agreement and also $20,803 in associated legal fees.

NOTE 13: TRADE AND OTHER PAYABLES

	Consolidated	
	2015	**2014**
	$	**$**
Trade payables (1)	28,718	22,895
Accruals	24,897	34,577
	53,705	**54,472**

(1) Trade payables are non-interest bearing and are normally settled on 30-day terms.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

NOTE 14: ISSUED CAPITAL & RESERVES

CONSOLIDATED 2015	**No.**	**$**
(a) Issued and Paid Up Capital		
Fully paid ordinary shares	**260,679,312**	**14,249,957**
(b) Movements in fully paid shares on issue		
Balance as at 1 July 2014	160,418,038	13,254,665
Rights Issue	27,116,447	325,397
Rights issue short fall	73,144,827	877,738
Capital raising costs	-	(207,843)
Balance as at 30 June 2015	**260,679,312**	**14,249,957**
(c) Option Reserve		
Balance as at 1 July 2014	24,000,000	1,315,738
Expiry of options	(24,000,000)	(1,315,738)
Issue of options to underwriter	15,000,000	128,625
Balance as at 30 June 2015	**15,000,000**	**128,625**

CONSOLIDATED 2014	**No.**	**$**
(a) Issued and Paid Up Capital		
Fully paid ordinary shares	**160,418,038**	13,254,665
(b) Movements in fully paid shares on issue		
Balance as at 1 July 2013	160,418,038	13,254,665
Balance as at 30 June 2014	**160,418,038**	**13,254,665**
(c) Option Reserve		
Balance as at 1 July 2013	24,000,000	1,315,738
Balance as at 30 June 2014	**24,000,000**	**1,315,738**

During the year no options were exercised to take up ordinary shares.

As at the year end the Company had a total of 15,000,000 unissued ordinary shares on which options are outstanding with a weighted average exercise price of 2.00 cents. The weighted average remaining contractual life of all share options outstanding at the end of the year is 2 years. These options are due to expire on 30 June 2017.

Nature and purpose of reserves

Option reserve

The option reserve is used to recognise the fair value of all options on issue but not yet exercised.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

NOTE 15: OPERATING CASH FLOW INFORMATION

	Consolidated	
	2015	**2014**
	$	**$**
Reconciliation of Loss for the Year to Net Cash Flows (used in) Operations		
(Loss) for the year	(513,236)	(2,157,939)
Adjustments for:		
Depreciation	17,547	18,826
Impairment of capitalised exploration & evaluation expenditure	-	1,937,543
Changes in assets and liabilities:		
(Increase) / decrease in trade and other receivables	561	2,084
(Increase) / decrease in prepayments	(1,324)	(2,995)
Increase / (decrease) in trade and other payables	(3,767)	18,266
Net cash flows (used in) operations	**(500,087)**	**(184,215)**

NOTE 16: RELATED PARTY INFORMATION

a) *Parent and ultimate controlling party*

The parent entity and ultimate controlling party is Eneabba Gas Limited.

The consolidated financial statements include the financial statements of Eneabba Gas Limited and the subsidiaries listed in the following table.

Name	Country of Incorporation	% Equity Interest 2015
Eneabba Energy Pty Ltd	Australia	100%
Eneabba Mining Pty Ltd	Australia	100%
GCC Methane Pty Ltd[1]	Australia	100%
Oceanhill Pty Ltd[2]	Australia	100%

[1] GCC Methane Pty Ltd was acquired on 1 June 2015 from Greenpower Energy Limited. See Note 17 for details of the acquisition of GCC Methane Pty Ltd.
[2] Oceanhill Pty Ltd was incorporated in October 2014 in preparation for the acquisition of the Oceanhill Gas project. See Note 12 for information regarding the Oceanhill acquisition agreement.

NOTE 16: RELATED PARTY INFORMATION (CONTINUED)

b) Key Management Personnel compensation

Information on remuneration of all Directors and Key Management Personnel is contained in the Remuneration Report within the Directors' Report. Please refer to the Directors' Report for Key Management Personnel remuneration information.

The aggregated compensation paid to Directors and Key Management Personnel of the Group is as follows:

	Consolidated	
	2015	**2014**
	$	**$**
Short term employee benefits	191,922	120,000
Post-employment benefits	13,761	11,100
Share based payments	-	-
Total	**205,683**	**131,100**

c) Loans to and from related parties

Terms and Conditions of loans
Loans between entities in the wholly owned Group are not interest bearing, unsecured and are payable upon reasonable notice having regard to the financial stability of the Company.

d) Other related party transactions

Transactions with other related parties are made on normal commercial terms and conditions and at market rates. Outstanding balances are unsecured and are repayable in cash.

Ventnor Capital Pty Ltd, a company of which Mr Morgan Barron is a Director, provided office accommodation, bookkeeping, CFO, company secretarial support and corporate services in relation to the administration of the Company during the year. A mandate between Eneabba Gas Limited and Ventnor Capital Pty Ltd was signed for the above services commencing from 1st December 2011.

A summary of the total fees paid and payable to Ventnor Capital Pty Ltd for the year ended 30 June 2015 is as follows:

	Consolidated	
	2015	**2014**
	$	**$**
Serviced office, company secretarial & CFO services, bookkeeping services, IT support, corporate advisory, general administration, due diligence services and registered office.	141,674	106,538
Financial accounting services including preparation of annual & interim reports.	19,250	17,612
Total	**160,924**	**124,150**

NOTE 17: ACQUISITION OF SUBSIDIARY

Acquisition of GCC Methane Pty Ltd

On 1 June 2015, Eneabba Gas Limited acquired 100% of the voting shares of GCC Methane Pty Ltd, an established company that has a holding of 50% of Exploration Permit (EP) 447.

EP447 covers approximately 1,108 square kilometres in the Perth Basin and includes the formerly producing Walyering Gas Field. UIL Energy Limited (ASX:UIL) holds the remaining 50% interest in EP447.

Eneabba has paid purchase consideration of $850,000, being the agreed fee payable under the Option Agreement with Greenpower Energy Limited. Greenpower Energy Limited will also be entitled to a 1.5% net well head royalty.

As this transaction was an acquisition of assets it does not meet the requirements of AASB 3 *Business Combinations.*

Acquisition of GCC Methane Pty Ltd

	2 June 2015
Net assets acquired:	**$**
Exploration expenditure	850,000
Total	**850,000**
Consideration:	
Cash payment	850,000
Total	**850,000**

NOTE 18: SHARE BASED PAYMENTS

Share-based payment transactions
The Group has an ownership-based compensation scheme for executives and senior employees. In accordance with the terms of the plan, as approved by shareholders at a previous annual general meeting, executives and senior employees may be granted options to purchase ordinary shares.

Each employee share option converts into one ordinary share of Eneabba Gas Limited on exercise. No amounts are paid or payable by the recipient on receipt of the option. The options carry neither rights to dividends nor voting rights. Options may be exercised at any time from the date of vesting to the date of their expiry.

The number of options granted is calculated in accordance with the performance-based formula approved by shareholders at a previous annual general meeting and is subject to approval by the remuneration committee. The formula rewards executives and senior employees to the extent of the consolidated entity's and the individual's achievement judged against both qualitative and quantitative criteria from the following financial and customer service measures:
• Improvement in share price
• Improvement in net profit
• Improvement in return to shareholders
• Reduction in warranty claims
• Results of client satisfaction surveys
• Reduction in rate of staff turnover

There was a share-based payment made during the year ended 30 June 2015 of $128,625 as a share issue cost to the underwriter of the rights issue, Cygnet Capital Pty Ltd with the issue of 15,000,000 Unlisted options at an exercise price of $0.02 and expiring on 30 June 2017. The share based payment was capitalised under capital raising costs in the statement of financial position) (2014: $nil).

Cygnet Capital Options
The options issued to Cygnet Capital Pty Ltd were issued on the following terms and conditions:

Date Granted	**Expiry Date**	**Exercise Price**	**Issued During the period**
27 November 2014	30 June 2017	$0.02	15,000,000

There are no voting rights attached, the options are not transferable and they may be exercised at any time until 30 June 2017 and are not subject to an escrow period.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

NOTE 18: SHARE BASED PAYMENTS (CONTINUED)

The details of the options issued to Cygnet Capital Pty Ltd are as follows:

2015								
Granted	**Terms & Conditions**						**Vested**	
#	**Grant Date**	**Fair Value at Grant Date**	**Exercise Price per Option**	**Expiry Date**	**First Exercise Date**	**Last Exercise Date**	**Yes**	**%**
15,000,000	27/11/2014	$0.00113	$0.02	30/06/2017	30/07/2015	30/07/2015	15,000,000	100%

Fair value of options granted

The fair value of options issued has been determined using a Black & Scholes option pricing model that takes into account the exercise price, the term of the options, the impact of dilution, the non-tradeable nature of the options, the share price at grant date and expected price volatility of the underlying shares, the expected dividend yield and the risk-free interest rate for the term of the options.

The table below summarises the model inputs for options granted during the period:

Model Inputs	
1. Options granted for consideration of capital raising costs	15,000,000
2. Exercise price (cents):	2.00
3. Valuation date:	27/11/2014
4. Expiry date:	30/06/2017
5. Underlying security spot price at grant date (cents):	1.50
6. Expected price volatility of the Company's shares:	153%
7. Expected dividend yield:	0%
8. Risk-free interest rate:	2.45%
9. Discount:	Nil

NOTE 19: AUDITOR'S REMUNERATION

	Consolidated	
	2015	**2014**
	$	**$**
Amounts payable to auditor of the Group		
Audit and review services - payable to HLB Mann Judd	26,000	26,000
Non-audit services	-	-
	26,000	**26,000**

NOTE 20: FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks that include market risk (including currency risk, interest rate risk and price risk), credit risk, liquidity risk and cash flow interest rate risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

Risk management is carried out by the Managing Director under policies approved by the Board of Directors. The Board provides written principles for overall risk management, as well as policies covering specific areas, such as mitigating foreign exchange and interest rate and credit risks.

a) Market Risk

Foreign Currency Risk
The Company is not directly exposed to any foreign currency risk.

Price risk
The Company is not directly exposed to any price risk.

Interest rate risk
The Group is exposed to interest rate risk on cash balances held in interest bearing accounts. The Board constantly monitors its interest rate exposure and attempts to maximise interest income by using a mixture of fixed and variable interest rates, whilst ensuring sufficient funds are available for the Group's operating activities. The Group's net exposure to interest rate risk at 30 June 2015 approximates the value of cash and cash equivalents.

b) Credit Risk

The Group has no significant concentrations of credit risk.

c) Liquidity Risk

The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate working capital is maintained for the coming months. Upcoming capital needs and the timing of raisings are assessed by the Board at each meeting of Directors.

The maturity of the Group's payables is disclosed in Note 13.

d) Cash flow and Interest Rate Risk

The Group's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result in changes in market interest rates and the effective weighted average interest rates on classes of financial assets is disclosed in Note 8. Only cash is affected by interest rate risk as cash is the Group's only financial asset exposed to fluctuating interest rates.

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

NOTE 20: FINANCIAL RISK MANAGEMENT (CONTINUED)

In accordance with AASB 7 the following sensitivity analysis has been performed for the Company's interest rate risk:

30 June 2015: **Consolidated** **Risk Variable**	**Sensitivity***	**Effect On: Profit/Loss 2015 $**	**Effect On: Equity 2015 $**
Interest Rate	+ 1.00%	15,000	15,000
	- 1.00%	(15,000)	(15,000)

* It is considered that 100 basis points is a 'reasonably possible' estimate of potential variations in the interest rate.

30 June 2014: **Consolidated** **Risk Variable**	**Sensitivity***	**Effect On: Profit/Loss 2014 $**	**Effect On: Equity 2014 $**
Interest Rate	+ 1.00%	17,770	17,770
	- 1.00%	(17,770)	(17,770)

* It is considered that 100 basis points is a 'reasonably possible' estimate of potential variations in the interest rate.

The fair values of all financial assets and liabilities of the Group approximate their carrying values.

Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Group's capital includes ordinary share capital and convertible performance shares, supported by financial assets.

There were no changes in the Group's approach to capital management during the year. Neither the Company nor the Group are subject to externally imposed capital requirements.

NOTE 21: SEGMENT REPORTING

Segment Reporting

The Group conducts operations in three operating segments, energy and electricity generation, petroleum exploration and mineral exploration, and one geographic segment, Australia.

2015	**Energy & Electricity Generation $**	**Petroleum Exploration $**	**Mineral Exploration $**	**Unallocated $**	**Consolidated $**
Segment income					
Interest received	-	-	-	57,915	57,915
Lease Income	10,825	-	-	-	10,825
Total income	10,825	-	-	57,915	68,740
Segment expenses					
Feasibility study costs	(10,585)	(18,753)	-	-	(29,338)
Impairment	-	-	-	-	-
Net other costs	-	-	(16,399)	(518,691)	(535,090)
Profit/(Loss) before depreciation	240	(18,753)	(16,399)	(460,776)	(495,688)
Depreciation	(17,408)	-	(140)	-	(17,548)
Loss before income tax	(17,168)	(18,753)	(16,539)	(460,776)	(513,236)
Segment assets and liabilities					
Property, plant & equipment	1,679,883	-	-	-	1,679,883
Exploration assets	-	850,00	-	-	850,000
Other non-current assets	-	50,803	-	-	50,803
Other current assets	-	-	-	1,517,779	1,517,779
Current liabilities	-	-	-	(53,705)	(53,705)
Net assets	1,679,883	900,803	-	1,464,074	4,044,760

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 30 June 2015

NOTE 21: SEGMENT REPORTING (CONTINUED)

2014	Energy & Electricity Generation $	Petroleum Exploration $	Mineral Exploration $	Unallocated $	Consolidated $
Segment income					
Interest received	-	-	-	64,402	64,402
Lease Income	10,432	-	-	270	10,702
Total income	10,432	-	-	64,672	75,104
Segment expenses					
Feasibility study costs	(8,652)	(52,393)	-	-	(61,045)
Impairment	-	-	(1,937,543)	-	(1,937,543)
Net other costs	-	-	-	(278,899)	(278,899)
Loss before depreciation	1,780	(52,393)	(1,937,543)	(214,227)	(2,202,383)
Depreciation	(18,671)	-	(155)	-	(18,826)
Loss before income tax	(16,891)	(52,393)	(1,937,698)	(214,227)	(2,221,209)
Segment assets and liabilities					
Property, plant & equipment	1,697,430	-	-	-	1,697,430
Exploration assets	-	-	-	-	-
Other current assets	-	-	-	1,794,120	1,794,120
Current liabilities	-	-	-	(57,472)	(57,472)
Net assets	1,697,430	-	-	1,736,648	3,434,078

NOTE 22: PARENT ENTITY DISCLOSURES

As at 30 June 2015, and throughout the year then ended, the parent company of the Group was Eneabba Gas Limited.

	Company 2015 $	Company 2014 $
Result of the parent entity		
(Loss) for the year	(462,996)	(202,664)
Other comprehensive income	-	-
Total comprehensive (loss) for the year	(462,996)	(202,664)
Financial position of the parent entity at year end		
Current assets	1,517,910	1,796,442
Non-current assets	911,803	-
Total assets	2,418,990	1,796,442
Current liabilities	53,705	59,795
Total liabilities	53,705	59,795
Total equity of the parent entity comprising of:		
Share capital	14,249,958	13,254,665
Option reserve	128,625	1,315,738
Accumulated losses	(12,002,575)	(12,833,756)
Total equity	2,376,008	1,736,647

Parent Entity Contingencies

The Directors are not aware of any contingent liabilities that may arise from the Company's operations as at 30 June 2015.

NOTE 23: SUBSEQUENT EVENTS

On the 10 August 2015 the Company announced that Mr Barnaby Egerton-Warburton was appointed as Managing Director. The material terms of the remuneration package with Mr Egerton-Warburton are disclosed in the Remuneration Report in the Directors' Report.

Further, on 31 August 2015 the Company announced that as a result of the delay in Native Title, Eneabba and Finder have agreed to vary the terms of the Farm in Agreement covering Ocean Hill. The changes include the ability for Eneabba to terminate at any time without penalty. A final termination date of 15 June 2016 has been agreed to if completion of the acquisition of the Ocean Hill project from Black Rock is not completed, the completion of native title process to enable grant of the permit is not completed and Finder has not sourced the required funding .

The Sargon UCG Project was relinquished subsequent to the balance date and therefore the Company is not required to meet any future expenditure commitments for this tenement.

No other matters or circumstances have arisen since the end of the year which significantly affected or may significantly affect the operations of the Company or Group, the results of those operations or the state of affairs of the Company or Group in subsequent financial years.

NOTE 24: CONTINGENT LIABILITIES

The Directors are not aware of any contingent liabilities that may arise from the Group's operations as at 30 June 2015.

DIRECTORS' DECLARATION

In the Directors' opinion:

a) the accompanying financial statements set out on pages 20 to 45 and the Remuneration Report in the Directors' Report are in accordance with the *Corporations Act 2001,* including:

   i. giving a true and fair view of the Group's financial position as at 30 June 2015 and of its performance, as represented by the results of its operations, changes in equity and cash flows, for the year ended on that date; and

   ii. complying with Australian Accounting Standards, Corporations Regulations 2001 and other mandatory professional reporting requirements;

b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

c) the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board.

This declaration is made after receiving the declarations required to be made to the Directors in accordance with section 295A of the Corporations Act 2001 for the year ended 30 June 2015.

This declaration is made in accordance with a resolution of the Board of Directors.

Barnaby Egerton-Warburton
Managing Director
Perth
31 August 2015

HLB Mann Judd

Accountants | Business and Financial Advisers

INDEPENDENT AUDITOR'S REPORT

To the members of Eneabba Gas Limited

Report on the Financial Report

We have audited the accompanying financial report of Eneabba Gas Limited ("the company"), which comprises the consolidated statement of financial position as at 30 June 2015, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration for the consolidated entity. The consolidated entity comprises the company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In Note 2, the directors also state, in accordance with Accounting Standard AASB 101: *Presentation of Financial Statements*, that the financial report complies with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

Our audit did not involve an analysis of the prudence of business decisions made by directors or management.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

HLB Mann Judd (WA Partnership) ABN 22 193 232 714
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HLB Mann Judd

Accountants | Business and Financial Advisers

Auditor's opinion

In our opinion:

(a) the financial report of Eneabba Gas Limited is in accordance with the *Corporations Act 2001*, including:

   (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the year ended on that date; and

   (ii) complying with Australian Accounting Standards and the *Corporations Regulations 2001*; and

(b) the financial report also complies with International Financial Reporting Standards as disclosed in Note 2.

Report on the Remuneration Report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2015. The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion

In our opinion the remuneration report of Eneabba Gas Limited for the year ended 30 June 2015 complies with section 300A of the *Corporations Act 2001*.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

L Di Giallonardo
Partner

Perth, Western Australia
31 August 2015

ASX ADDITIONAL INFORMATION

Additional information required by the ASX Limited Listing Rules not disclosed elsewhere in this Annual Report is set out below.

SHAREHOLDINGS

The issue capital of the Company at 18 August 2015 is 260,679,312 ordinary fully paid shares. All ordinary shares carry one vote per share.

TOP 20 SHAREHOLDERS AS AT 18 AUGUST 2015

		No. of Shares Held	% Held
1	HSBC CUSTODY NOM AUST LTD	17,994,484	6.89%
2	SUPERMAX PL	16,510,111	6.33%
3	KUANG KOO SING + LAI WAH	15,559,492	5.96%
4	WONG WILLIAM TIEN LEONG	12,500,000	4.79%
5	DECK CHAIR HLDGS PL	12,350,000	4.73%
6	WU LEWIS LICK WEI	12,343,846	4.73%
7	RIVERVIEW CORP PL	10,458,844	4.01%
8	MAHSOR HLDGS PL	10,450,000	4.00%
9	GOH THOMAS LIK CHENG	9,000,000	3.45%
10	SMITH MERLE + KATHRYN	7,000,000	2.68%
11	AVENGER PL	5,250,000	2.01%
12	MAHSOR HLDGS PL	4,500,000	1.72%
13	BALLESTEROS MARK WILLIAM	4,166,667	1.60%
14	DBS VICKERS SEC SINGAPORE	4,018,048	1.54%
15	ST BARNABAS INV PL	3,612,107	1.38%
16	HOLDREY PL	3,530,000	1.35%
17	JACOB MURRAY JOHN + S C	3,500,000	1.34%
18	LEE CLARA LIN-K'UN	3,499,999	1.34%
19	DIXTRU PL	3,334,435	1.28%
20	AWD CONS PL	3,257,666	1.25%
		162,835,699	**62.39%**

*denotes merged holdings

Shares Range	No. of Holders	No. of Shares
1 – 1,000	21	1,060
1,001 – 5,000	17	66,842
5,001 – 10,000	36	306,841
10,001 – 100,000	236	10,954,958
100,001 and over	153	249,649,611
	463	**260,979,312**
Number holding less than a marketable parcel at $0.035 per share	89	561,220

Shareholders by Location	No. of Holders	No. of Shares
Australian holders	442	206,166,707
Overseas holders	21	54,812,605
	463	**260,979,312**

VOTING RIGHTS

In accordance with the Company's Constitution, on a show of hands every shareholder present in person or by proxy, attorney or representative of a shareholder has one vote and on a poll every shareholder present in person or by proxy, attorney or representative of a shareholder has in respect of fully paid shares, one vote for every share held. No class of option holder has a right to vote, however the shares issued upon exercise of options will rank pari passu with the then existing issued fully paid ordinary shares.

SUBSTANTIAL SHAREHOLDERS AS AT 18 AUGUST 2015

		No. of Shares Held	% Held
1	HSBC CUSTODY NOM AUST LTD	17,994,484	6.89%
2	SUPERMAX PL	16,510,111	6.33%
3	KUANG KOO SING + LAI WAH	15,559,492	5.96%
		50,064,087	**19.18%**

ASX ADDITIONAL INFORMATION (CONTINUED)

OPTION HOLDINGS

The Company has the following classes of options on issue at 30 June 2017 as detailed below. Options do not carry any rights to vote.

Class		Terms	No. of Options
ENB-1	Unlisted Options	Exercisable at $0.02 expiring on or before 30 June 2017	15,000,000

UNLISTED OPTIONS

Options Range	Unlisted Options	
	No. of Holders	No. of Options
1 – 1,000	-	-
1,001 – 5,000	-	-
5,001 – 10,000	-	-
10,001 – 100,000	-	-
100,001 and over	1	15,000,000
	1	**15,000,000**

SCHEDULE OF EXPLORATION TENEMENTS

As at the date of this report, Eneabba Gas Ltd has an interest in the following tenements:

Project	Permit	Location	Interest held	Status
EP447	EP447	Western Australia	50%	Granted
STP EPA 0090	STP EPA 0090	Western Australia	(1)	(1)

(1) Eneabba has an option to purchase 100% interest as per Note 12.