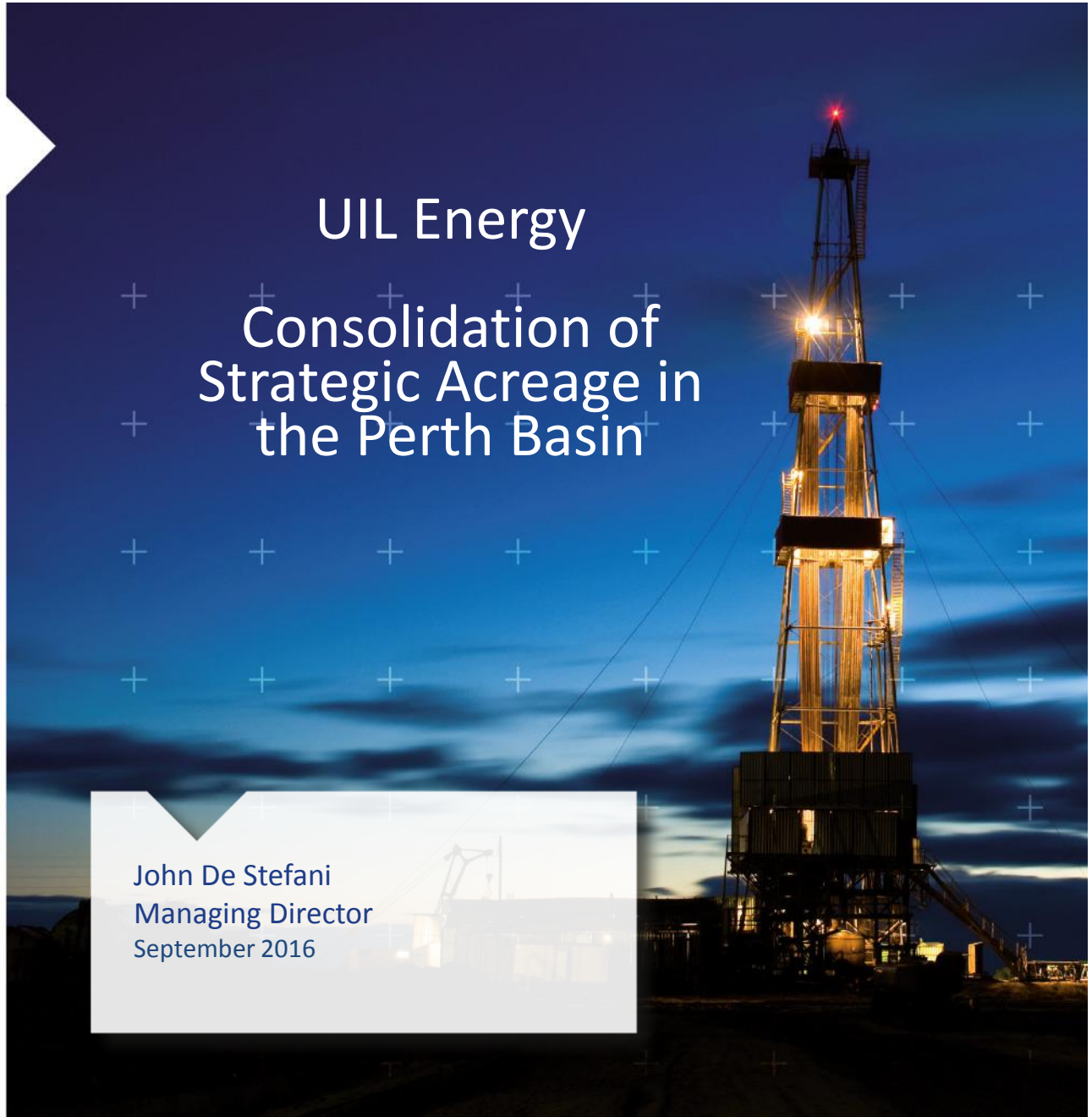




# UIL Energy

## Consolidation of Strategic Acreage in the Perth Basin

John De Stefani  
Managing Director  
September 2016



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# UIL Energy Corporate Structure



## Key Metrics

- ✓ ASX code: UIL
- ✓ Listed in November 2014
- ✓ Approx 163 million shares on issue (post Eneabba transaction)
- ✓ 35 million convertible preference shares convertible to ordinary shares post drilling Ocean Hill #2
- ✓ Directors ownership ~26%

## Valuation Metrics

- ✓ Current market capitalisation of \$12.2 million (at 7.5c) post Eneabba transaction
- ✓ Highly prospective acreage of ~700,000 acres in Perth Basin
- ✓ Current valuation for UIL's Perth Basin permits at a significant discount to Perth Basin peer group

# Asset Strategy - Perth Basin



- ✓ Targeting company maker potential plays
  - Gas production can be marketed to undersupplied domestic users and through existing and planned LNG export facilities
  - Oil production trucked to local facility
- ✓ ≈ 700,000 acres secured in the sought-after Perth Basin
  - Potential: significant size to interest major players
  - Operatorship and 100% interest in each asset
- ✓ Closer proximity to infrastructure than competitors
  - Pipelines cross through permits in Perth Basin acreage
  - Proximity to infrastructure could result in faster and cheaper commercialization options
- ✓ Given size of Australian blocks, only early entrants are likely to hold acreage before majors buy or farmin

# Experienced Board – track record



**Garry Marsden**  
Non-Executive Director



**Simon Hickey**  
Executive Chairman



**Keith Skipper**  
Non-Executive Director



**Stephen Bizzell**  
Non-Executive Director



**John De Stefani**  
Managing Director

- ✓ Track record for delivering significant shareholder value
- ✓ Significant investment by Directors
- ✓ Extensive experience building petroleum and resource production companies



**Barnaby Egerton-Warburton**  
Business Development



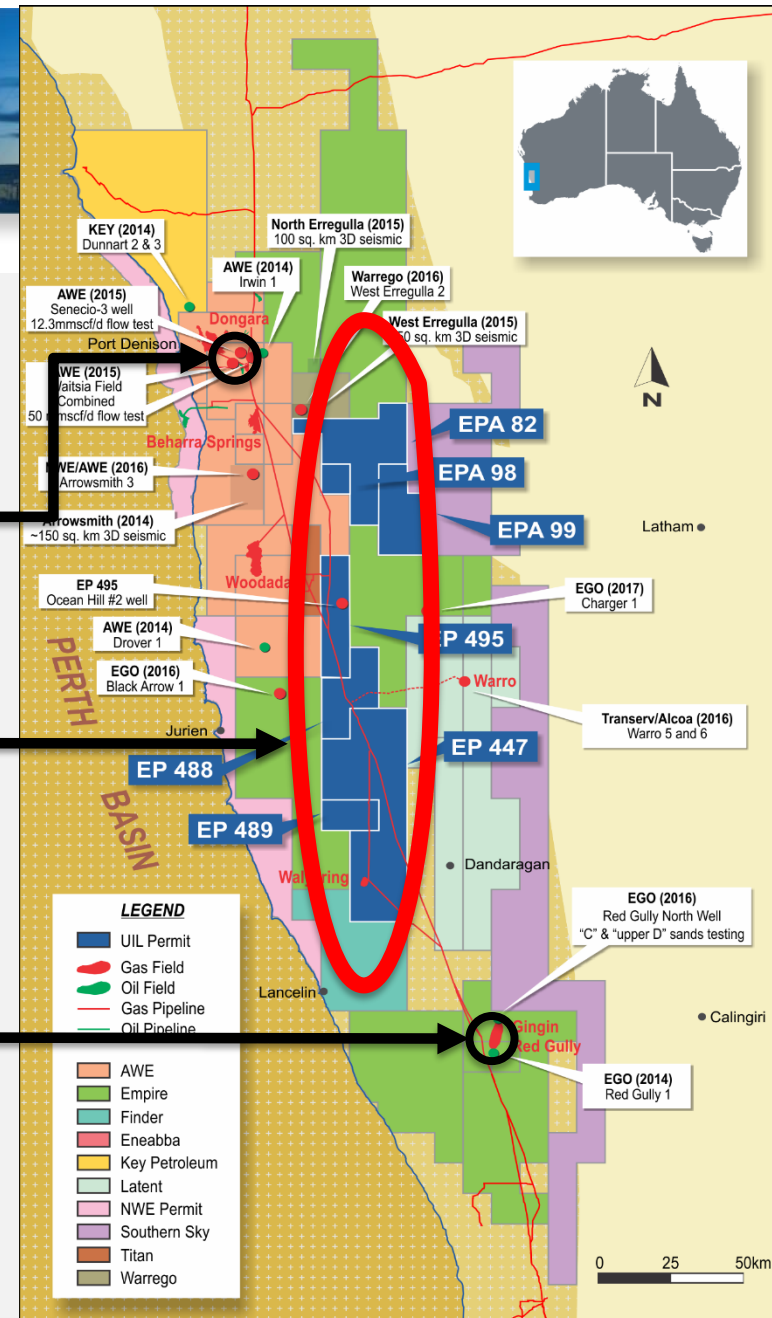
**Vic Palanyk**  
Chief Operating Officer

# Impressive Perth Basin Holding

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

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

Empire's Red Gully North - further testing of C and upper D Sands

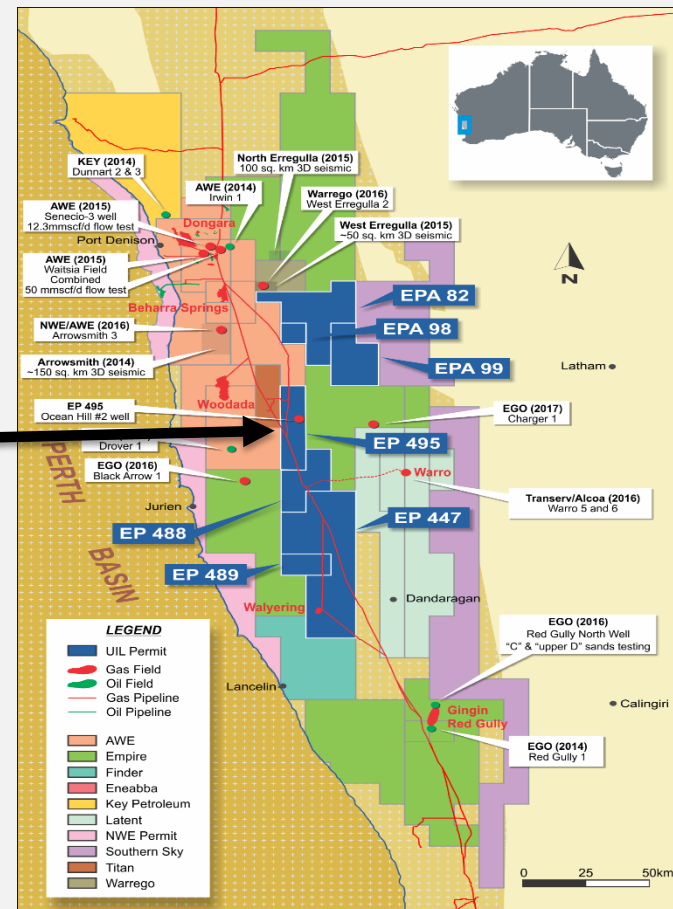
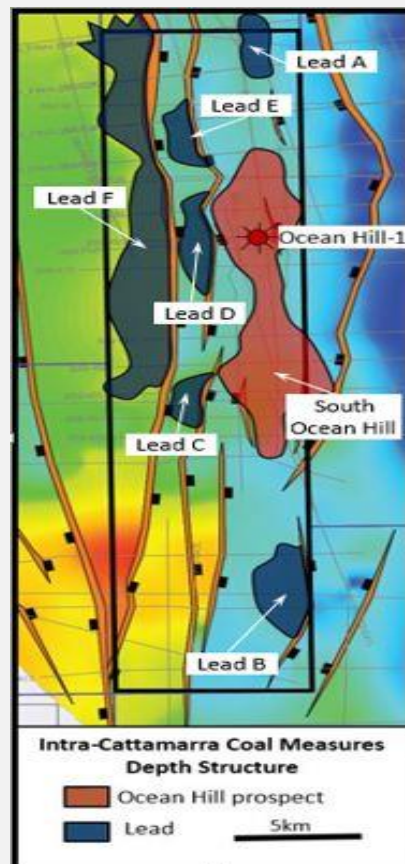




# Ocean Hill Prospect



- ✓ Ocean Hill discovery targeting proven gas productive zones in the Jurassic (Cattamarra Coal Measures) similar to the Gingin/Red Gully Gas Field
- ✓ Ocean Hill #1 encountered over 100 metres of net pay and flowed at 700,000scf/d
- ✓ Independent 2C contingent resource of 360 BCF\*
- ✓ UIL started preparation for 3D seismic over Ocean Hill discovery

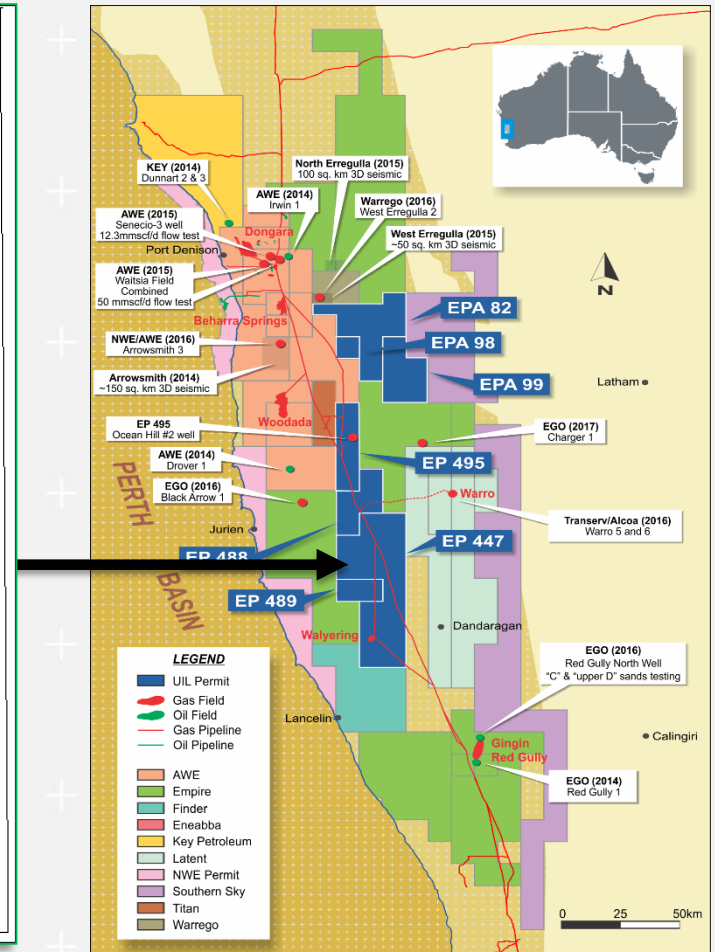
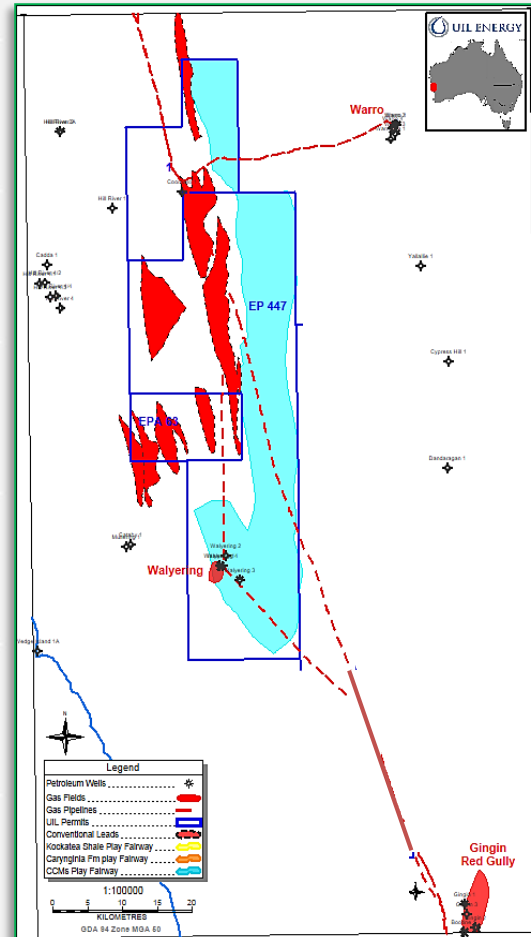


\* ASX announcement by Eneabba dated 27 November 2015 making reference to the ASX Announcement by Greenrock Energy Limited [ASX: GRK] dated 4 October 2013 "Independent Resource Valuation Ocean Hill Block".

# Central Perth Prospects

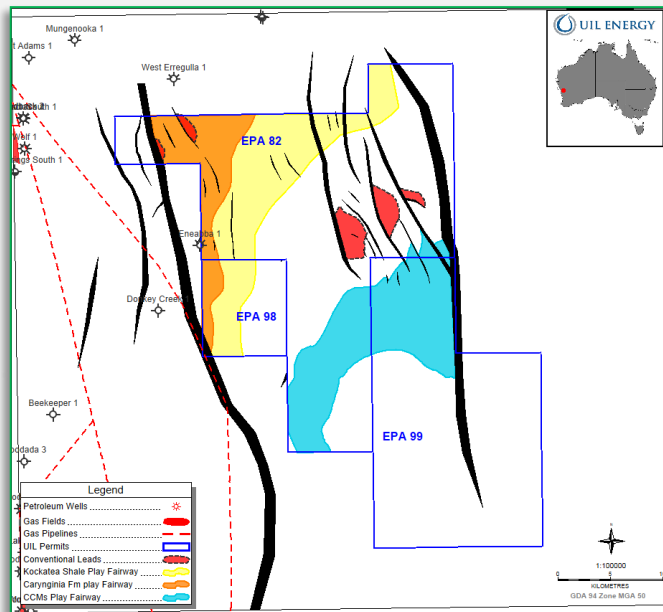


- ✓ Prospective Resources of 328 bcf - best estimate in the Cattamarra Coal Measures
  - Historical Walyering flow rate 0.6 MMcf/d
- ✓ Further seismic planned in northern area of permits aimed at high grading identified prospects
- ✓ Third party interest to fund earn-in work programs

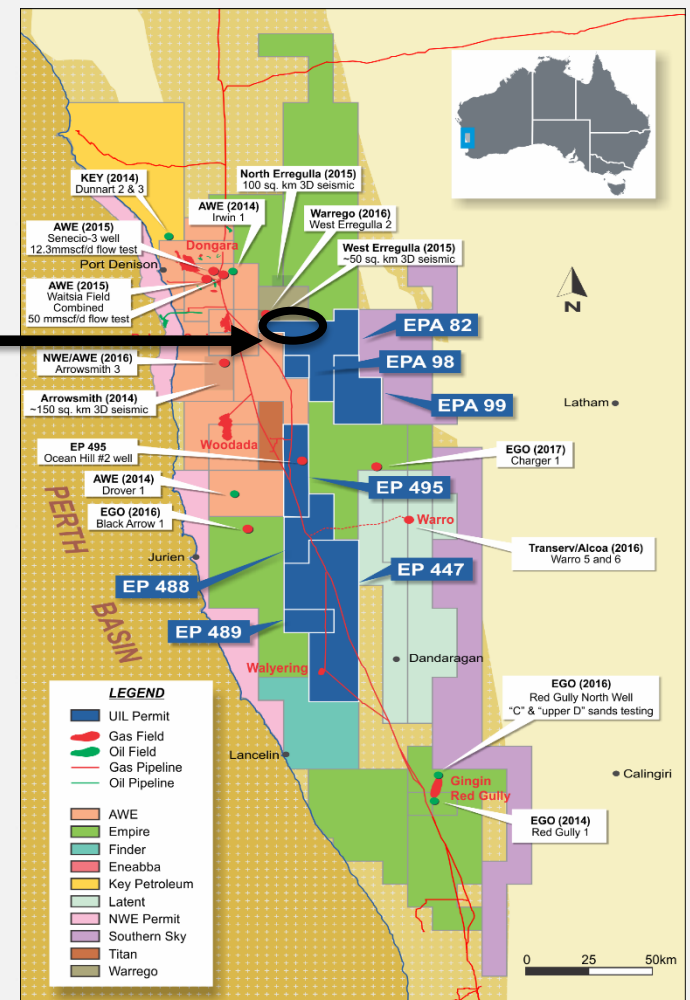




# Northern Perth Prospects



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



# North Perth Basin

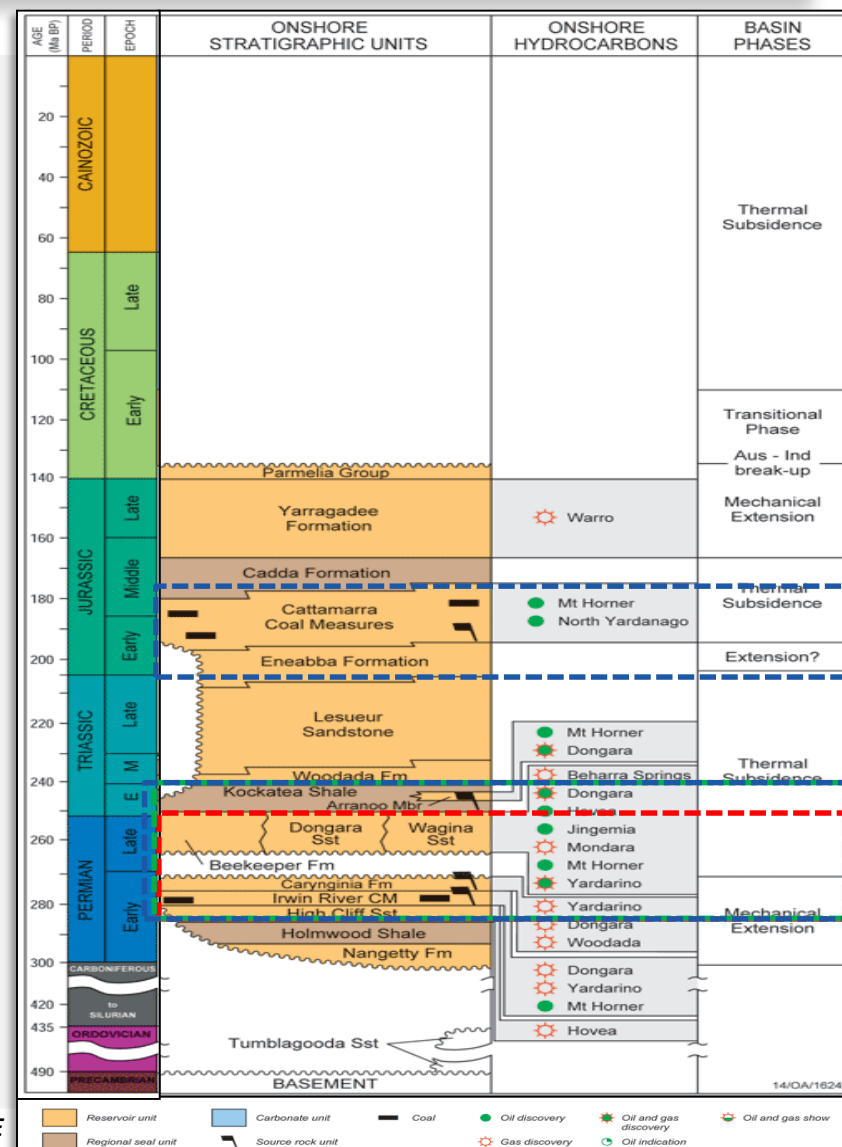
## - Major Gas Discovery by AWE



### Exploration Potential

Reservoir	UIL Energy <sup>1</sup>	Senecio/ Waitsia
Kockatea Shale	✓	
Dongara / Wagina Sst	✓	✓
Carynginia Fm <sup>2</sup>	✓	✓
Irwin River Coal Measures <sup>2</sup>	✓	✓
High Cliff Sandstone <sup>2,3</sup>	✓	✓

1. UIL Energy's north Perth permits EPA82 and EPA 98 where all reservoirs likely to be encountered
2. The key reservoir intervals where AWE has announced significant contingent resources. Expected to be in western portion of permits
3. Depth of this reservoir to be confirmed



Source: AWE

# Next Round of Activity



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

Upcoming activity:-

- ✓ Origin sale of Perth Basin assets
- ✓ AWE's Waitsia project to start development through 2016/2017
- ✓ Warrego drilling adjacent to UIL Energy's northern permits in 2017
- ✓ UIL Energy activity:
  - ✓ Progress 3D seismic approvals over the Ocean Hill prospect
  - ✓ Finalise approvals for 2D seismic over central permits
  - ✓ Continue to pursue further consolidation opportunities in the basin
  - ✓ Continue to progress joint venture opportunities for investment in permits

# Confident in Delivering Success



## Proven Track Record

- ✓ Experienced and successful management team
- ✓ Directors/management have significant skin in the game (~26%)

## Highly Prospective Assets

- ✓ Clear focus on **Perth Basin** – close to AWE's large gas discovery
- ✓ Close proximity to pipeline infrastructure
- ✓ 100% equity positions and operator of all permits providing great flexibility and strategic value
- ✓ Strong interest in UIL Energy's projects

## Attractive Industry Outlook

- ✓ WA gas demand largest in Australia, with a sharp decline from existing offshore producers over the next decade
- ✓ WA gas prices forecast to rise up to \$10/gj