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ASX/MEDIA RELEASE

Quarterly Activities Report and Company Update

Eneabba Gas Ltd (**Eneabba**) (ASX: **ENB**) is pleased to provide an update of its activities during the quarter ended 30 June 2016.

Oil and Gas Exploration Assets

UIL Transaction

As announced on 25 February 2016 and detailed again in the March 2016 Quarterly report, the Company entered into a binding agreement for the sale of its Perth Basin exploration interests, which include its 100% interest in the Ocean Hill project and its 50% interest in Exploration Permit 447 to UIL Energy Limited (ASX: UIL). There is currently an application process for the transfer of the permit from Black Rock Mining (BKT: ASX) to the Company underway within the Department of Mines and Petroleum (DMP).

Due to the longer than anticipated time this process is taking, the agreement long stop date between ENB and UIL has been extended until 31 August 2016 by which time it is hoped a decision by the DMP has allowed the transaction to complete.

Upon completion of the transaction ENB shareholders will be invested into one of the largest acreage positions in the Perth Basin and both Eneabba Gas and UIL Energy shareholders will share in the strategic value of their combined portfolio of Perth Basin permits. This consolidation and focused ownership of the ENB and UIL permits provides greater flexibility and considerable strategic value for both ENB and UIL shareholders.

Eneabba Gas shareholders will retain direct exposure to the potential of the Eneabba Perth Basin projects, as well as gain exposure to UIL Energy's extensive Perth Basin portfolio while retaining 100% ownership of the Power Centauri-1 power station.

The final condition precedent for the completion of the transaction between ENB and UIL is Eneabba Gas Limited becoming the sole registered and beneficial owner of the EPA0090 permit (the Ocean Hill permit).

A shareholders meeting was held on 9 May 2016 to approve the transaction and all details of the transaction can be viewed on the ASX platform and the website of the Company.

Centauri-1 Power Station & Other Opportunities

The Directors of Eneabba continue to evaluate options for development of the strategic Centauri-1 power station. The Company has implemented cash conservation measures, including the reduction of Director and advisor fees, along with other measures to preserve cash whilst the Company looks for other opportunities.

The Board of Eneabba Gas continues to review assets for acquisition across all sectors to generate value for Company shareholders.

For more information on the Company, please visit the website at www.eneabbagas.com.au.