

Enhanced Oil & Gas Recovery Limited

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ANNOUNCEMENT

(ASX: EOR)

Monday, 11 April 2016

WAILAWI OIL & GAS PROJECT JOINT VENTURE/FARM-IN NEGOTIATIONS

Enhanced Oil & Gas Recovery Limited (**EOR**) is pleased to announce that Powgen Mining Pty Limited a wholly owned subsidiary of **EOR** has entered into a confidentiality agreement with P.T Pandawa Prima Lestari (**Pandawa**) with a view to negotiating a joint venture and/or farm-in arrangement. Pandawa holds a Production Sharing Contract and is Operator of the Wain Block in the Kutai Basin, East Kalimantan which has substantial reserves of oil and gas adjacent to Centre Energy Petroleum Limited (**CEP**)'s Wailawi Oil & Gas Project.

As previously announced **EOR** and the shareholders of **CEP** have entered into a share purchase agreement pursuant to which **EOR** is to acquire **CEP** subject to the satisfaction of certain conditions precedent, including **EOR** re-complying with the requirements of Chapter 1 and 2 of the ASX Listing Rules.

The Kutai Basin is the second most prolific on share hydrocarbon area in Indonesia having been a long time oil and gas producer and having calculated economic value. The southern section of the Kutai basin has a number of defined oil and gas targets and prospects yet to be drilled.

The Wain Block of Pandawa is adjacent to **CEP**'s Wailawi Oil & Gas Project.

EOR will update the market as to the outcome of the abovementioned negotiations on completion.

For further information contact:

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