

ASX Announcement – 11 August, 2016**Termination of Ukraine Asset Sale Agreement**

Hawkley Oil & Gas Limited (“Hawkley” or “the Company”) advises that the sale of its Ukraine assets to Tomeas Assets Ltd (“Tomeas”) has been terminated after Tomeas failed to meet the revised payment obligations as agreed. Hawkley will retain the US\$100,000 initial deposit.

The sale was announced on 2 February 2016 and approved by shareholders on 16 March 2016. The original agreement was extended until 1 August 2016 after settlement was delayed whilst the parties worked through a number of due diligence and Ukraine regulatory approval issues. A further extension until 12 August 2016 was agreed, conditional upon receipt of a further US\$100,000 deposit.

Hawkley has given the buyer numerous opportunities to complete the sale and is not prepared to grant further extensions. This disappointing result is further evidence of the difficulties of conducting business in Ukraine in the current environment. The Company has advised Tomeas that they may contact the Company if and when they have organised their finances and are able to proceed.

Hawkley has contacted other parties known to be interested in the assets. The Company remains optimistic that a sale will be completed in the near term and will provide further updates in due course.

With respect to the future directions of the Company, discussions are progressing with an Australian entity that has expressed interest in providing financial support and pursuing Oil & Gas opportunities in more politically stable countries.

For more information, please contact:

Glenn Featherby

Executive Chairman

Hawkley Oil & Gas Limited

Ph: 08 9226 3211

www.hawkleyoilandgas.com

Directors**Glenn Featherby**

Executive Chairman

Bill Foster

Non-Executive Director

Murray Wylie

Non-Executive Director

Piers Lewis

Non-Executive Director

Share Information

ASX Code:	HOG
Shares on Issue:	331.4M
Options on Issue:	11.0M
Share Price*:	0.6¢
Market Cap*:	\$2.0M

*As at 11th August, 2016