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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 31 March 2016.

UIL Transaction

As announced on 25 February 2016, the Company entered into a binding agreement for the sale of its Perth Basin exploration interests which include 100% of the Ocean Hill project and its 50% interest in EP447 to UIL Energy Limited (ASX: **UIL**).

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. The 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.

Completion of the transaction is subject to certain terms and conditions that include:

- Eneabba Gas Limited becoming the sole registered and beneficial owner of EPA90 permit and the issue of the exploration permit in respect of EPA90;
- Eneabba Gas shareholders approving the Share Sales Agreement (SSA);
- UIL Energy shareholders approving the SSA; and
- Lodgment by Eneabba Gas of a prospectus in respect of the in specie distribution of the UIL Energy Convertible Redeemable Preference Shares to Eneabba Gas shareholders.

A notice of meeting to shareholders to approve the transaction was dispatched to shareholders on 7 April 2016.

The shareholders meeting will be held on 9 May 2016 and the notice of meeting can be viewed on the ASX platform and the website of the Company.

Further, a copy of the Prospectus offer for the in-specie distribution of the UIL shares to Eneabba shareholders has been lodged with ASIC and is available 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.