



## **Eneabba Gas Limited**

ABN 69 107 385 884

### **Media Release**

**27 September 2011**

### **Capital Raising – Placements & Underwritten Entitlements Offer**

The Directors of Eneabba Gas Limited (“**Eneabba**” or “the **Company**”) are pleased to announce a capital raising to raise a minimum of \$1,824,854 (before costs) at 3 cents. The funds will be used for further exploration at the Sargon Coal project, continuing to assess the development options associated with the Centauri 1 power generation project, evaluating new opportunities and or joint ventures, repayment of director loans and working capital.

### **Details of the Capital raising**

Eneabba has signed an agreement with Ventnor Securities Pty Ltd (“Ventnor Securities”) under which Ventnor Securities has agreed to:

- Complete an initial Private Placement of 11.7 million shares at 3.0 cents per share to raise \$357,000 before costs (“First Placement”), under the Company’s 15% share issue capacity;
- Underwrite a 1:2 pro rata entitlement offer of up to 49,070,832 fully paid ordinary shares at a price of 3 cents per Share to raise up to \$1,472,125 before costs (“Entitlement offer”).
- Complete a second Private Placement (“Second Placement”) of up to 42 million shares, to be issued subject to shareholder approval and the extent of the rights issue shortfall.

Further information and a detailed timetable on the pending Entitlement Offer is likely to be announced in the coming week.

An Appendix 3B for the above issues will be issued separately.

The Company has also signed an advisory agreement with Ventnor Capital Pty Ltd (“Ventnor Capital”) a company associated with Ventnor Securities, whereby, subject to shareholder approval, Ventnor Capital and or its nominees will have the right to subscribe for a total of 15 million unlisted options with an exercise price of 5 cents and expiry of 31 August 2014 at a cost of \$0.0001 per option.

### **Proposed Board Changes**

In conjunction with the placement, Mr Greg Allen and Mr Morgan Barron will be appointed as directors of the Company. Mr Koo Sing Kuang and Dr Kar Chan Wan will step down from the board.

### **Greg Allen – Proposed Non-Executive Director**

Greg Allen has over fifteen years of experience across a range of technology and engineering related industries. He has held senior management and executive responsibility for operational, business development and administrative functions at sizable private and publicly listed companies. In his current role with Carnegie Wave Energy Limited, Mr Allen oversees all technology development and

commercialisation activities at Carnegie. Prior to joining Carnegie, Mr Allen was a Senior Manager for Wesfarmers' remote power generation business specialising in remote unattended power system ownership, operation and maintenance for regional towns and resource operations. Additionally, Mr Allen was previously Chief Operating Officer of an ASX-listed company involved in the commercialisation of solar energy based water pumping and reverse osmosis technologies and was Operations Manager of a heat transfer equipment engineering and service company.

Mr Allen holds a Bachelor of Mechanical Engineering from Royal Melbourne Institute of Technology and a Masters of Business Administration from the University of Western Australia.

### **Morgan Barron – Proposed Non-Executive Director**

Morgan Barron is a qualified Chartered Accountant who has worked in various corporate roles both in Australia and Europe. Mr Barron holds a Bachelor of Commerce Degree, is an Associate of the Securities Institute of Australia, an Associate of the Institute of Chartered Accountants in Australia and the Institute of Company Directors. Mr Barron provides a strong commercial, financial and management background. Mr Barron is a director of both Ventnor Capital Pty Ltd and Ventnor Securities Pty Ltd. Mr Barron is currently a director of ASX listed Strickland Resources Limited.

The board would like to thank both Koo Sing Kuang and Dr Kar Chan Wan for their efforts and support, especially during the period when the former took up position as chairman, and the latter was appointed to the board on the same day 12 May 2011.

The board changes will take effect in the next week with current Non-Executive director John Arndell being appointed as chairman.

The issue of options to Ventnor Capital (or its nominees), the issue of shares under the Second Placement and the ratification of the new director appointments are to be approved at the AGM in November 2011.

### **Strategy and Use of proceeds**

The funds will be used for further exploration at the Sargon Coal project, continuing to assess the development options associated with the Centauri 1 power generation project, evaluating new opportunities and or joint ventures, repayment of director loans and working capital.

#### *Further exploration of Sargon Tenements*

Eneabba Mining Pty Ltd, a 100% subsidiary of Eneabba Gas Limited, has two tenements, Exploration Tenement E70/2758 and the Offshore Exploration Licence WA-8-EOS. The Company now intends to undertake a water sampling review on E70/2758 as approved by the Western Australia Department of Water.

#### *Power Generation Project*

The Company continues the process of assessment of development options of Eneabba Gas' proposed 168MW gas-fired Centauri 1 power station, on Company-owned land near Dongara in the Mid West of Western Australia.

Investors wanting more information should contact:

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