

ASX Release

27 November 2012

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Directors:

John Arndell - Chairman
Thomas Goh - Director
Greg Allen - Director
Morgan Barron - Director

Issued Capital:

160,418,038 Ordinary Shares (ENB)
2,687,013 Listed Options (ENBOC)
(\$0.15 to 30/06/13)
24,000,000 Unlisted Options
(\$0.05 to 31/08/14)

ASX Code:

ENB (Fully Paid Ordinary Shares)



ENEABBA GAS LIMITED

ABN 69 107 385 884

Coal Resource on Sargon Tenement increased to 205 million tonnes

Eneabba Gas Limited ("Eneabba" or "the Company") is pleased to announce that its estimated JORC inferred coal resource* has increased by 11Mt following the compilation of results from the geological and geophysical logging of the coal during the drilling of the baseline well (SW1) as previously announced to the ASX on 13 November 2012. The original 2009 total JORC resource was million 194Mt tonnes.

Both the depth and the thickness of the C and D coal seams intersected during the drilling were in accordance with the Company's expectations and were consistent with samples taken in nearby holes during prior drill campaigns. A map of the location of the previous drill holes, along with the location of the new baseline well (SW1) on the Sargon tenement is provided at Figure 1 on the next page.

The Company's total JORC resource* is now calculated as follows:-

Category	JORC 2009 (Mt)	2012 (Mt)
Indicated	75	75
Inferred	119	130
Total	194	205

As detailed in the Sargon resource report prepared by Xenith Consulting Pty Ltd which was released to the ASX on 30 October 2009, the Sargon coal resource is running at an average of 16 MJ/Kg (arb), with an average ash content of 20% (arb), which translates to approximately 3,280 PJ of energy. Detailed specifications of the coal are following at Figure 2.

In the Directors' view, this result highlights the consistency of coal across the Sargon tenement and the potential for future resource upgrades through further exploration.

The Company is continuing efforts to locate investors for its UCG and Power Station projects and will continue to update shareholders as these projects develop.

Yours faithfully,

For or on behalf of Eneabba Gas Ltd

Morgan Barron
Director

*Competent Persons Statement

This information has been compiled by Dierdre Westblade of Westby Consulting Pty Ltd, Western Australia. Dierdre Westblade is a member of the Australian Institute of Geoscientists and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which she is undertaking to qualify as a competent person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dierdre Westblade consents to the inclusion in the report of the matters based on this information in form and context in which it appears.

Figure 1: Drilling Locations with Coal Seam RL Depth Intersections on the Sargon Tenement

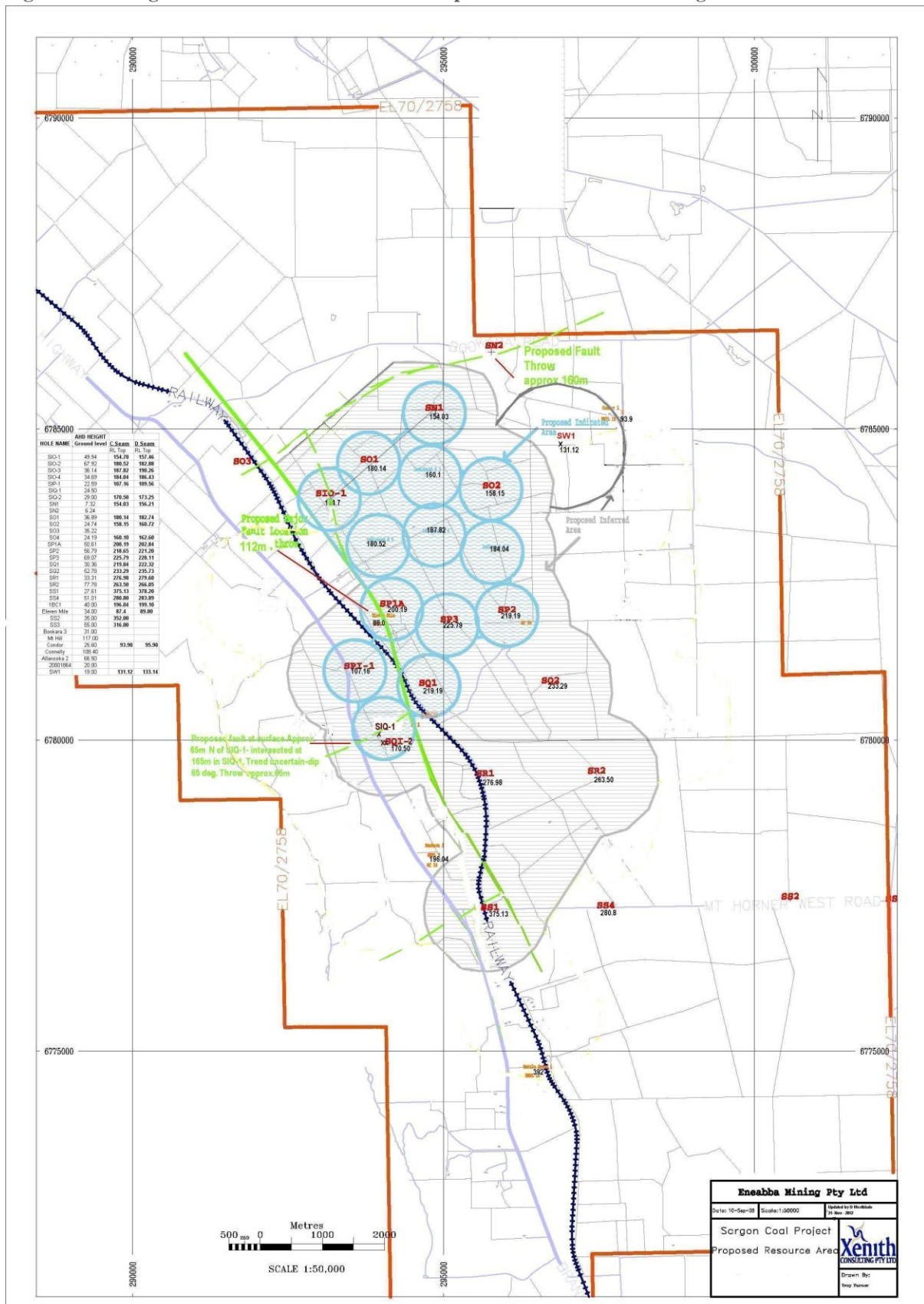


Figure 2: Specifications of the Coal Resource

Parameter			Basis	
Calorific Value		kcal/k g	ARB	3,758
		MJ/k g	ARB	15.74
		kcal/k g	DAF	6,999
		MJ/k g	DAF	29.31
Proximate Analysis				
	Total Moisture	%	ARB	26.00
	Ash	%	ARB	20.30
	Volatile Matter	%	ARB	25.40
	Fixed Carbon	%	ARB	25.30
	Total Sulphur	%	ARB	2.96
	Air Dried Moisture	%	ADB	16.00
Ultimate Analysis				
	Carbon	%	DAF	73.38
	Hydrogen	%	DAF	5.00
	Nitrogen	%	DAF	1.07
	Oxygen	%	DAF	15.76
	Sulphur	%	DAF	4.80
HGI		—		70.00
AFT	(Reducing)			
	Initial	°C		1,210
	Softening	°C		1,250
	Hemispherical	°C		1,275
	Fluid	°C		1,300
Mineral Analysis of Ash				
	S i O ₂	%	ADB	56.60
	A l ₂ O ₃	%	ADB	17.20
	F e ₂ O ₃	%	ADB	10.90
	C a O	%	ADB	5.60
	M g O	%	ADB	1.80
	N a ₂ O	%	ADB	1.10
	K ₂ O	%	ADB	0.60
	S O ₃	%	ADB	4.20
	P ₂ O ₅	%	ADB	0.05
	T i O ₂	%	ADB	1.60
	M n O	%	ADB	0.05