



29 January 2016

## ASX/MEDIA RELEASE

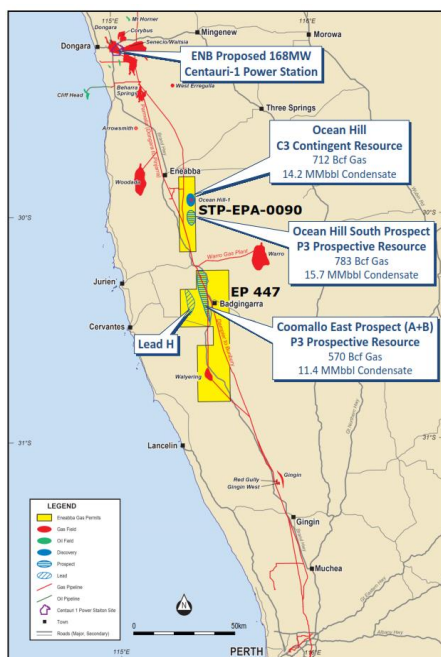
# Quarterly Activities Report and Operational Update

### Perth Basin Strategy

Eneabba Gas Limited (ASX:ENB) has continued to push forward with its strategy of developing the Perth Basin asset base focussed on gas. Currently the company holds an interest in or is acquiring an interest in two permits located in the Perth Basin; the **Ocean Hill Permit (100% ENB acquiring from BKT:ASX)** and **EP447 (50% ENB)**. Activity in the basin continues to advance with the positive news that AWE Limited and Origin Energy Limited will go into development of the Waitsia Field in 2016 to the east of Dongara. First gas is expected from Waitsia in August 2016.

### Ocean Hill Gas Project

During the quarter the native title process covering the Ocean Permit Block was completed with the finalisation of the Amangu native title agreement. Eneabba has contracted to acquire the Ocean Hill project from Black Rock Mining Limited (ASX:BKT) as previously announced. This agreement has been extended from December 15, 2015 to June, 30 2016. Black Rock is now in the final process of providing its acceptance of the permit and on completion of this process the ENB/BKT transaction will conclude and ENB will acquire 100% of the project.



As previously reported, the Ocean Hill project covers some 75,000 acres and has a C3 contingent resource of 712 BCF of gas and 14.2 MMBBL of condensate (DeGoyler and MacNaughton, refer ENB ASX Release 12 March 2015)\*\*. The project is located approximately 220 Km north of Perth and just south of the town of Eneabba. The Ocean Hill Gas discovery was made by SAGASGO in 1991 with the drilling of the Ocean Hill # 1 well which intersected 800 m of gas shows with 100 m of net gas pay. On test the well flowed 700 MCFPD and 17 BCPD. Gas price dynamics at the time meant that the project was sub-economic. A post drill engineering report found that it was highly likely that drilling techniques were a possible cause of the low flow rates due to formation damage. With modern day drilling technology Eneabba believes a second well will produce greatly enhanced flow rates and has an extremely strong possibility of being a commercial field.

Eneabba continued to evaluate drilling options for the Ocean Hill # 2 well with various drilling companies during the quarter.



## **EP447**

Eneabba and partner and operator UIL Energy Limited (ASX:UIL) have obtained approval from the Department of Mines and Petroleum (DMP) to vary the year-two work program from the requirement to drill a well to the acquisition of 130 km of 2D seismic and reprocessing of historic data. UIL has submitted the preliminary environmental documentation, for the 2D seismic survey, to government authorities as well as carried out a field ecological survey to support further environmental approvals. Timing of seismic survey is dependent on approvals obtained over the upcoming quarter.

## **Centauri-1 Power Station**

During the quarter discussions continued with potentially interested parties in the Centauri project. The approved site for the power station sits on 4,643 acres of land which is 100% owned by ENB and which is located directly adjacent to AWE's recently discovered Waitsia Gas Field. The Company retains the focus on gas exploration in order to provide feed stock gas to create economic viability for the Centauri-1 power station project going forward.

## **About Eneabba Gas**

Eneabba Gas Limited is a diversified Australian energy company. Eneabba owns the fully permitted rights to construct and operate the 168MW Centauri-1 Power Station and a growing portfolio of onshore Perth Basin Gas assets including the Ocean Hill Gas project (100%) and 50% of EP 447 with partner UIL Energy Limited.

For more information on the Company, please visit our website at [www.eneabbagas.com.au](http://www.eneabbagas.com.au) or email [info@eneabbagas.com.au](mailto:info@eneabbagas.com.au).

### *Summary of Abbreviations;*

*BCF = Billion Cubic Feet*

*BCPD = Barrels of condensate per day*

*BOE = Barrels of Oil Equivalent*

*MMBBL = Million of barrels of oil*

*MMBOE = Millions of barrels of oil equivalent*

*MCFPD = Thousand cubic feet of gas per day*

*Except where otherwise noted, all references to "\$" are to Australian dollars.*

*\*\*In 2013 the then owner of the Ocean Hill project, Green Rock Energy, engaged DeGolyer and MacNaughton to provide a resource evaluation study. All detail of prospective resources mentioned in this release are taken directly from this report (refer GRK ASX Release 4 October 2013 for full details).*