



9 May 2016

ASX Announcement

UPDATE ON OCEAN HILL PROJECT ACQUISITION

Eneabba Gas Limited (ASX: ENB) ("Eneabba" or "the Company") has been advised by the vendor of the Ocean Hill Permit, Black Rock Mining (ASX: BKT) ("Black Rock"), that Black Rock have been formally offered the Ocean Hill Permit by the State of Western Australia.

Black Rock has now met all conditions precedent in order to be awarded the permit. The following steps will now be required for the finalisation of the acquisition of the Ocean Hill permit by Eneabba and the subsequent sale of the permit to UIL Energy Limited ("UIL Energy");

- 1) Black Rock must formally elect to accept the grant of the permit;
- 2) Black Rock must apply for the transfer of the permit to Eneabba; and
- 3) Upon completion of transfer Eneabba will;
 - issue 40 million Eneabba shares to Black Rock;
 - pay cash of \$300,000 to Black Rock; and
 - settle the native title agreement.

The details of the sale of Eneabba's Perth Basin assets to UIL Energy, as announced to the ASX on 25 February 2016, are as follows;

Eneabba shareholders are to receive;

- 1) 55 million shares in UIL Energy (equivalent to receiving 1 share in UIL Energy for approximately every 5.5 Eneabba shares held); and
- 2) A further 35 million shares in UIL Energy in the event of successful results from drilling Ocean Hill#2 well (equivalent to receiving 1 additional share in UIL Energy for approximately every 8.6 Eneabba shares held).

Eneabba notes that the results of the UIL Energy shareholders meeting to approve the transaction with Eneabba have been published and released to the market last Friday (6 May), with all resolutions being passed.

Eneabba will advise the market and shareholders of the progress of the two aforementioned transactions over the coming weeks.

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