



## OFFER OF SHARES UNDER SHARE PURCHASE PLAN

6 October 2016

Dear Shareholder,

On behalf of the Board, I am pleased to advise Eligible Shareholders of the opportunity to participate in UIL Energy Limited's (**UIL Energy** or the **Company**) Share Purchase Plan Offer (**SPP**) which was announced on 29 September 2016. The SPP provides Eligible Shareholders the opportunity to invest up to \$15,000 in fully paid ordinary shares in the Company (**New Shares**) without paying brokerage, commissions or other transaction fees, subject to the Terms and Conditions detailed in this document.

The Company is making the SPP available to Shareholders at the issue price of \$0.05 per share which represents a 16.96% discount to the Volume Weighted Average Price over the last five days on which trading of Shares on the ASX were recorded prior to the announcement of the SPP. The issue price under the SPP is consistent with the recently completed issue of 15,000,000 Shares which raised \$750,000 (**Placement**).

The Company also intends to offer to Eligible Shareholders who subscribe for New Shares under the SPP one free new listed option to subscribe for a Share for every one New Share issued under the SPP (**Attaching Option**), with each Attaching Option exercisable at \$0.075 and expiring 18 months from the date of issue. The issue of the Attaching Option is subject to obtaining Shareholder approval at the Company's annual general meeting to be held on 29 November 2016.

The Company plans to use the funds raised from the SPP and Placement to progress the development of the Company's Perth Basin permits including undertaking key activities relating to the highly prospective Ocean Hill project, 3D seismic over the Walyering project area funded via the Bombora farmout, upgrading prospects on its central permits and for working capital.

Directors of UIL Energy have participated in the Placement and will participate in the SPP.

Full details of the SPP are provided in the information booklet attached to this letter, and I encourage all shareholders to read the instructions and terms and conditions carefully before dispatching their completed applications.

Thank you for your continued support.

Kind Regards

A handwritten signature in black ink, appearing to be 'SH'.

Simon Hickey  
Chairman



**THIS IS AN IMPORTANT DOCUMENT AND SHOULD BE READ IN ITS ENTIRETY**

6 October 2016

**Highlights:**

Offer to existing UIL Energy Limited ACN 153 352 160 (**UIL or the Company**) shareholders to participate in a Share Purchase Plan (**SPP**)

The SPP will raise up to \$750,000.

Shareholders can, at their election, take up an issue of New Shares at an issue price of \$0.05 per Share in one of the following amounts:

- 50,000 New Shares for \$2,500 (with 50,000 Attaching Options<sup>(a)</sup>);
- 100,000 New Shares for \$5,000 (with 100,000 Attaching Options<sup>(a)</sup>);
- 150,000 New Shares for \$7,500 (with 150,000 Attaching Options<sup>(a)</sup>);
- 200,000 New Shares for \$10,000 (with 200,000 Attaching Options<sup>(a)</sup>); or
- 300,000 New Shares for \$15,000 (with 300,000 Attaching Options<sup>(a)</sup>).

<sup>(a)</sup> The Company intends to offer one free Attaching Option for each New Share subscribed for, subject to obtaining shareholder approval at the Meeting. These Attaching Options will be offered under a Prospectus issued after the Meeting. There is no guarantee that the approval will be obtained and that the Attaching Options will be issued.

The SPP is not underwritten.

UIL or the Company plans to use the funds raised from the SPP (after issue costs) to:

- to progress development of the Company's Perth Basin permits including undertaking key activities relating to Ocean Hill 3D seismic approvals, 3D seismic Walyering farmout with Bombora Natural Energy Pty Ltd (**Bombora**) and upgrading prospects on its central permits; and
- provide working capital.

The information in this document is not a recommendation to accept the offer of New Shares under the SPP and does not constitute financial advice. Any person who intends to subscribe for Shares must conduct their own investigations, assessment and analysis of the Company and its operations and prospects and must base their investment decision solely on those investigations and that assessment analysis.

If you are in doubt about the contents of this document, or the action you should take, you should consult your financial or other professional advisor without delay who specialises in advising on the acquisition of share and other securities before taking any action.

Dear Shareholder,

The Directors of UIL Energy Limited ACN 153 352 160 (**UIL or the Company**) would like to invite you to participate in the Company's Share Purchase Plan (**SPP**).

## 1. Summary of the SPP

The SPP provides shareholders on the Company's register at the Record Date with an opportunity to subscribe for either \$2,500, \$5,000, \$7,500, \$10,000 or \$15,000 in New Shares at an issue price of \$0.05 per New Share in the Company at an attractive discount to the market price in the period prior to the date of announcement of this SPP. The Board has structured the SPP to encourage our loyal, smaller shareholders to apply and increase their shareholding in UIL.

The Company also intends to offer to Eligible Shareholders who subscribe for New Shares under the SPP (and investors who subscribe for any shortfall arising under the SPP) one (1) free new listed option to subscribe for a Share for every one (1) New Share issued under the SPP (**Attaching Option**), with each Attaching Option exercisable at \$0.075 and expiring 18 months from the date of issue.

The issue of the Attaching Options is subject to obtaining Shareholder approval for such issue at the Company's annual general meeting to be held on 29 November 2016 (**Meeting**). A notice of meeting will be distributed to Shareholders shortly. Accordingly, there is no guarantee that this approval will be obtained and the Attaching Options will be issued.

The offer of Attaching Options will be made to Eligible Shareholders who subscribe for New Shares under the SPP (and investors who subscribe for any shortfall arising under the SPP) pursuant to a prospectus to be issued after shareholder approval has been obtained at the Meeting (**Attaching Option Prospectus**).

Only Shareholders of UIL with a registered address in Australia, New Zealand or Singapore who are on the share register as at 7pm (Brisbane time) on 28 September 2016 have the opportunity to participate in the SPP. Shareholders not registered as at this date will not receive an offer under the SPP. The rights of Shareholders eligible to participate under this SPP are not transferable.

The Company proposes a maximum raising of up to \$750,000 under the SPP, comprising the issue of up to 15,000,000 New Shares. The SPP is not underwritten, however the Directors reserve the right to place any shortfall of New Shares under the SPP to other potential interested investors, subject to obtaining shareholder approval. The Directors also reserve the discretion to accept oversubscriptions subject to all legal and regulatory requirements.

The proposed use of the funds raised under the SPP (after issue costs) is as follows:

- to progress development of the Company's Perth Basin permits including undertaking key activities relating to Ocean Hill 3D seismic approvals, 3D seismic Walyering farmout with Bombora and upgrading prospects on its central permits; and
- for ongoing working capital.

## 2. Terms of the SPP

The terms and conditions of the SPP are outlined in the enclosed document. By making an application to purchase New Shares under the SPP, you will have agreed to be bound by those terms and conditions. The right to participate in this offer under the SPP is available exclusively to persons who were registered as holders of Shares in the Company at 7pm (Brisbane time) on the record date of 28 September 2016 and whose registered address is in Australia, New Zealand or Singapore or in any other jurisdiction where, in the opinion of the Directors of the Company, it is lawful and reasonably practical for the Company to offer and issue New Shares under this SPP.

Eligible shareholders are entitled to apply for a **maximum** of \$15,000 of New Shares, at the Subscription Price of \$0.05 per New Share, under the SPP.

You may apply only for New Shares (with an entitlement to an offer of Attaching Options) in one of the following amounts:

- 50,000 New Shares for \$2,500 (with an entitlement to 50,000 Attaching Options<sup>(a)</sup>);
- 100,000 New Shares for \$5,000 (with an entitlement to 100,000 Attaching Options<sup>(a)</sup>);
- 150,000 New Shares for \$7,500 (with an entitlement to 150,000 Attaching Options<sup>(a)</sup>);
- 200,000 New Shares for \$10,000 (with an entitlement to 200,000 Attaching Options<sup>(a)</sup>); or
- 300,000 New Shares for \$15,000 (with an entitlement to 300,000 Attaching Options<sup>(a)</sup>).

<sup>(a)</sup> The issue of the Attaching Options is subject to obtaining shareholder approval at the Meeting and there is no guarantee that the approval will be obtained and that the Attaching Options will be issued. Attaching Options are intended to be offered to Eligible Shareholders who subscribe for New Shares under the SPP (and investors who subscribe for any shortfall arising under the SPP) after the Meeting under the Attaching Option Prospectus.

The Subscription Price represents a 16.96% discount to the Volume Weighted Average Market Price over the last five days on which trading of Shares on the ASX were recorded prior to the announcement of the SPP on 29 September 2016.

The daily Volume Weighted Average Price of UIL's Shares over the last five days in which Shares traded prior to the announcement of the SPP is as follows:

Date	Volume Weighted Average Price	Volume
26 September 2016	\$0.052	385,195
23 September 2016	\$0.075	129
12 August 2016	\$0.075	97,871
11 August 2016	\$0.073	122,129
9 August 2016	\$0.071	14,871

The Issue Price is the same price as that paid by investors who participated in the recent placement which raised approximately \$750,000 as outlined in the announcement by the Company on 29 September 2016 and represents a discount to the Market Price between 27 August 2016 and 23 September 2016.

To enable you to properly consider the offer under the SPP, set out below is a brief price history of the trading price of UIL's Shares on the ASX over the following periods:

Period	High	Low	Weighted Average
26 August 2016 to 26 September 2016	\$0.075	\$0.05	\$0.052
26 July 2016 to 26 September 2016	\$0.084	\$0.05	\$0.071
26 June 2016 to 26 September 2016	\$0.089	\$0.05	\$0.072

At the time of issue of the New Shares, the price of Shares trading on the ASX may be higher or lower than the Subscription Price.

Participation in the SPP is entirely at your discretion but the SPP is non-renounceable which means you cannot transfer your right to subscribe for New Shares under the SPP to anyone else.

On the basis of the Subscription Price of New Shares under the SPP, the Directors recommend the SPP to Shareholders. Directors of UIL Energy have participated in the recent share placement and will participate in the SPP.

The application period will close at 5.00pm (Brisbane time) on 7 November 2016. Therefore, if you wish to apply for any New Shares under the SPP, you should follow the instructions outlined in the attached Application Form so payment is received at our Share Registrar by that date in cleared funds. Payment may be made by cheque, bank draft or BPAY®.

It is proposed that the following timetable apply in respect of the SPP:

<b>Event</b>	<b>Date</b>
Record Date of the SPP (7.00pm Brisbane time)	28 September 2016
Date of announcement	29 September 2016
Opening Date of the SPP	10 October 2016
Closing Date of the SPP	7 November 2016
Issue and Allotment of New Shares under the SPP	11 November 2016
Quotation of New Shares under the SPP	11 November 2016
Dispatch of holding statements	14 November 2016
Meeting (Annual General Meeting)	29 November 2016
Prospectus for Attaching Options lodged with ASIC	30 November 2016
Attaching Options offer opens	30 November 2016
Attaching Options offer closes	2 December 2016
Attaching Options issued	7 December 2016
Dispatch of holding statements	8 December 2016

The above timetable is indicative only. UIL reserves the right to vary any of the key dates above, including the Closing Date and the Issue Date, without further notice.

The Plan offer is made in accordance with ASIC Class Order 09/425 and therefore does not require a prospectus for the purposes of Chapter 6D of the Corporations Act. However, given that ASIC Class Order 09/425 does not provide relief for the grant of options, the offer for the Attaching Options will be made by the Company under the Attaching Option Prospectus to be issued after the Meeting (subject to shareholder approval for the issue of the Attaching Options) to those Eligible Shareholders who subscribe for New Shares under the SPP (and investors who subscribe for any shortfall arising under the SPP).

If you are a “custodian” you may be required to submit a custodian certificate in order to participate on behalf of any beneficiaries. Further details in this regard are set out in the SPP Terms and Conditions.

For further information contact:

UIL SPP Information Line

Phone: 1300 730 659 if calling from within Australia

Phone: +61 1300 730 659 if calling from outside Australia

## Terms and Conditions of the Share Purchase Plan dated 6 October 2016

### **WARNING**

#### Shareholders in New Zealand

*No action has been taken to permit the offer of New Shares under this document in any jurisdiction other than Australia and New Zealand to the extent described below.*

*The New Shares the subject of this Offer are not being offered to the public within New Zealand other than to existing Shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2013 (New Zealand).*

*This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Securities Act 1978 (New Zealand). This document is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.*

#### Shareholders in Singapore

*This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares may not be issued, circulated or distributed, nor may these securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.*

*This document has been given to you on the basis that you are an existing holder of the Company's shares, (ii) an "institutional investor" (as defined in the SFA) or (iii) a "relevant person" (as defined in section 275(2) of the SFA). In the event that you are not such a shareholder, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.*

*Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.*

#### Generally

*The contents of this document have not been reviewed by any regulatory authority in any jurisdiction. Please read this document carefully before you make a decision to invest. If you are in any doubt about the contents of this document, you should obtain independent professional advice.*

*Eligible Shareholders who are not residents of Australia are responsible for obtaining all necessary approvals so they may legally apply for New Shares and should refer to clause 10.2 of the Terms and Conditions for further details.*

## 1. Definitions

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1.1 In this SPP, unless the context otherwise indicates:

**Application Form** means the application form distributed with these Terms and Conditions.

**Application Amount** means the total amount payable by an Eligible Shareholder who applies for New Shares under the SPP calculated by reference to the Subscription Price multiplied by the total number of New Shares applied for by that Eligible Shareholder.

**Attaching Options** means options for Shares in the Company

**ASX** means ASX Limited ACN 008 624 691.

**ASX Market** means the market for trading in securities operated by ASX.

**Board** means the board of directors of UIL or the Company from time to time.

**Bombora** means Bombora Natural Energy Pty Ltd ACN 611 581 778.

**UIL or the Company** means UIL Energy Limited ACN 153 352 160.

**Class Order** means ASIC Class Order 09/425 dated 15 June 2009 as amended or supplemented from time to time.

**Closing Market Price** means the published closing price for Shares in the Company on the ASX Market on a particular day.

**Corporations Act** means the *Corporations Act 2001* (Cth) as amended from time to time.

**Custodial or Depository Service** has the meaning given by section 766E of the Corporations Act.

**Custodian** means a registered holder:

- (a) that holds an Australian financial services licence that:
  - (1) covers the provision of a Custodial or Depository Service; or
  - (2) covers the operation of an IDPS (as defined in Class Order CO 13/763); or
- (b) that is exempt under:
  - (1) paragraph 7.6.01(1)(k) or paragraph 7.6.01(1)(na) of the *Corporations Regulations 2001*; or
  - (2) ASIC Class Order [CO 14/1000] or ASIC Class Order [CO 14/1001]; or
  - (3) ASIC Class Orders [CO 03/1099], [CO 03/1100], [CO 03/1101], [CO 03/1102], [CO 04/829] or [CO 04/1313]; or
  - (4) an individual instrument of relief granted by ASIC to the person in terms similar to one of the class orders referred to in subparagraph (3); or
  - (5) paragraph 911A(2)(h) of the Corporations Act,

from the requirement to hold an Australian financial services licence for the provision of a custodial or depository service;



- (c) that is a trustee of a:
  - (6) Self-Managed Superannuation Fund; or
  - (7) Superannuation Master Trust; or
- (d) that is the responsible entity of an IDPS-like Scheme; or
- (e) that is the registered holder of shares or interests in the class and is noted on the register of members of the body or scheme (as the case may be) as holding the shares or interests on account of another person.

**Custodian Certificate** means the certification required to be given by a Custodian to the Company pursuant to the Terms and Conditions.

**Director** means a director of the Company from time to time.

**Eligible Shareholders** means those Shareholders who satisfy the conditions set out in clause 2.1.

**IDPS-like Scheme** has the meaning given by ASIC Class Order [CO 13/762] or any class order that replaces that class order.

**Instruction** includes a direction or request.

**Issue Date** means the date that new Shares under the SPP are issued and allotted and otherwise in accordance with the timetable.

**Listing Rules** means the official listing rules of the ASX (as amended from time to time).

**Market Price** means the closing price of Shares, excluding special crossings, overnight sales and exchange traded options exercises as defined in the Listing Rules from time to time.

**Meeting** means the annual general meeting of the Company to be held on 29 November 2016.

**New Shares** means new Shares in UIL or the Company to be issued pursuant to the SPP (up to a maximum of 15,000,000 subject to any decision by the Directors to accept oversubscriptions).

**Offer** means a non-renounceable offer of \$2,500, \$5,000, \$7,500, \$10,000 or \$15,000 worth of ordinary fully paid shares in UIL (at the Subscription Price) to Eligible Shareholders under the SPP.

**Record Date** means 7.00pm (Brisbane time) on 28 September 2016.

**Regulated Superannuation Fund** has the same meaning as in the Superannuation Industry (Supervision) Act 1993.

**Self-managed Superannuation Fund** has the meaning given by section 17A of the Superannuation Industry (Supervision) Act 1993.

**Share Registrar** means Link Market Services Limited.

**Shareholders** means those persons or entities that hold Shares in the issued capital of UIL.

**Shares** means fully paid ordinary shares in the capital of UIL.



**SPP** means the UIL Share Purchase Plan approved by the Board.

**Subscription Price** means the subscription price of the New Shares being \$0.05 per Share.

**Superannuation Master Trust** means a Regulated Superannuation Fund under which:

- (a) a member of the fund is, or is entitled, to give an instruction (including a direction or request) that a particular financial product is to be acquired; and
- (b) if the member gives such an instruction, the trustee, or a custodian who holds financial products on behalf of the trustee, must (subject to any discretion they have to refuse) acquire the financial product; and
- (c) if the trustee or custodian acquires the financial product pursuant to an instruction given by the member, the member is to have rights or benefits calculated by reference to dividends or other benefits derived from the product.

**Terms and Conditions** means the terms and conditions set out in this document.

**Volume Weighted Average Market Price** has the meaning given in the Listing Rules.

References to "\$" means a reference to the respective amount in Australian dollars.

## **2. Eligibility to participate**

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- 2.1 Those Shareholders of UIL that will be eligible to apply for New Shares under the SPP must:
  - (a) be recorded in the Company's register of Shareholders at 7.00pm (Brisbane time) on the Record Date; and
  - (b) have a registered address in Australia, New Zealand or Singapore or another jurisdiction where in the opinion of the Directors, it is lawful and reasonably practical for the Company to issue the New Shares as set out in the Company's shareholder register on the Record Date.
- 2.2 The Offer does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an Offer.
- 2.3 If you are the only registered holder of a holding of UIL Shares, but you receive more than one offer under the SPP (for example, due to multiple registered holdings), you may only apply in aggregate for a maximum of \$15,000 worth of New Shares.
- 2.4 If you are registered with one or more persons as the joint Shareholders of a holding of UIL Shares, that joint holding is considered to be a single registered holding for the purpose of this SPP and the joint holders are entitled to participate in the SPP in respect of that single holding only. If the same joint holders receive more than one offer under the SPP due to multiple identical holdings, the joint holders may only apply in aggregate for a maximum of \$15,000 worth of New Shares.
- 2.5 Custodians should refer to clause 6 of the Terms and Conditions regarding Custodian participation. If you do not hold shares in UIL as a Custodian, these provisions do not apply.
- 2.6 If you hold UIL shares as a trustee or nominee for another person, but you are not a Custodian, you cannot participate for beneficiaries in the manner described in clause 6 of the Terms and Conditions. In this case, the rules for multiple single holdings (see clause 2.3 above) apply.

### **3. Terms of the offer**

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- 3.1 The Offer will be open for a period commencing on and from 9.00am (Brisbane time) on 10 October 2016 (**Opening Date**) until, subject to the discretion of the Board, 5.00pm (Brisbane time) on 7 November 2016 (**Closing Date**).
- 3.2 The Board reserves the right to close the Offer at any time prior to the Closing Date and/or extend the Closing Date without further notification.
- 3.3 In response to the Offer, Eligible Shareholders wishing to apply for New Shares under the SPP may apply for either:
- (a) 50,000 New Shares for \$2,500;
  - (b) 100,000 New Shares for \$5,000;
  - (c) 150,000 New Shares for \$7,500;
  - (d) 200,000 New Shares for \$10,000; or
  - (e) 300,000 New Shares for \$15,000,
- subject to clauses 5 and 6.
- 3.4 All Offers for New Shares under the SPP are non-renounceable and therefore the right to participate in the SPP cannot be transferred.
- 3.5 Participation in the SPP by Eligible Shareholders is entirely optional and subject to these Terms and Conditions.

### **4. Applications for New Shares**

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- 4.1 Eligible Shareholders wishing to apply for New Shares under the SPP must:
- (a) If paying by cheque or bank draft:
    - (1) complete the Application Form;
    - (2) pay the Application Amount in the manner specified on the Application Form; and
    - (3) forward the completed Application Form and payment for the Application Amount to UIL's Share Registrar at the addresses specified on the Application Form, to reach such addresses by no later than 5.00pm (Brisbane time) on the Closing Date.
  - (b) If you elect to use the BPAY<sup>®</sup> option (subject to clause 4.2):
    - (1) pay the Application Amount electronically using BPAY with payment to reach the Company's Share Registry by no later than 5.00pm (Brisbane time) on the Closing Date; and
    - (2) do not return the Application Form if you elect the BPAY option.
- 4.2 Please note that only Eligible Shareholders having an account with an Australian financial institution who participates in the BPAY scheme have the ability to elect to use the BPAY option.

- 4.3 All application money will be deposited into an account and any application money received in respect of any applications rejected by the Board under clauses 4.4 or 4.5 shall be refunded by UIL without interest.
- 4.4 The Board reserves the right to reject any application for New Shares (in whole or in part) including (without limitation) if:
- (a) an Application Form is not correctly completed;
  - (b) the applicant is not an Eligible Shareholder;
  - (c) the issue of those New Shares would contravene any law or the Listing Rules;
  - (d) the exact payment for the Shares applied for is not received;
  - (e) to accept the application in full would have the effect of exceeding the maximum offer of New Shares under the SPP;
  - (f) it is not reasonably satisfied that the issue of those New Shares will not result in any person receiving ordinary shares in UIL with an application price totalling more than \$15,000 as a result of:
    - (1) Shares issued to the person or to a Custodian on that person's behalf (as a result of an instruction given by that person to the Custodian to apply for Shares on their behalf) under the SPP; and
    - (2) any other Shares in UIL issued to the person or to a Custodian on that person's behalf (as a result of an instruction given by that person to the Custodian to apply for ordinary shares in UIL on their behalf) under an arrangement similar to the SPP operated by UIL in the 12 months prior to the Issue Date,  
  
except to the extent that the person is issued with Shares or interests as a Custodian under a custodian offer;
  - (g) the applicant is a Custodian and has failed to provide UIL with a Custodian Certificate;  
or
  - (h) the applicant has not otherwise complied with the Terms and Conditions.
- 4.5 The Board reserves the right to allocate fewer, or no, New Shares than an Eligible Shareholder applies for under the SPP, including, without limitation, in the event that the SPP is oversubscribed at its sole discretion (**Scale Back**). If there is a Scale Back, you may receive less than the parcel of New Shares for which you applied. If a Scale Back produces a fractional number of shares when applied to your parcel, the number of New Shares you will be issued will be rounded down to the nearest whole number of New Shares. In the event of a Scale Back, the difference between the Application Amount received by the Company, and the number of New Shares that will be issued to you multiplied by the Subscription Price, will be refunded to you.
- 4.6 If there is a consolidation or re-organisation of the issued share capital of the Company prior to the Closing Date, the maximum number of Shares to be issued pursuant to and in accordance with the SPP shall be consolidated or re-organised (as the case may be) in the same ratio as the issued capital of the Company.

## 5. Certification by Eligible Shareholder

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- 5.1 By submitting an Application Form, together with the appropriate payment of the Application Amount in the manner specified in clause 4.1(a), or by making a BPAY payment of the

Application Amount in the manner specified in clause 4.1(b), you certify, acknowledge, warrant and represent as true, correct and not misleading to the Company that if you are not a Custodian, the aggregate of the application price paid by you for:

- (a) the New Shares the subject of the Application Form or the BPAY payment;
- (b) any other Shares in UIL or the Company applied for under a similar arrangement in the 12 months prior to the date of submission of the Application Form or making the BPAY payment;
- (c) any other Shares in the Company issued to you, or a Custodian (as a result of an instruction given by you to the Custodian to apply for Shares in the Company on your behalf) under the SPP or under any similar arrangement operated by the Company in the 12 months prior to the date of submission of the Application Form or making the BPAY payment; and
- (d) any other New Shares which you have instructed a Custodian to acquire on your behalf under the SPP,

does not exceed \$15,000.

## 6. Custodian

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6.1 Eligible Shareholders who are Custodians may participate in the SPP on behalf of:

- (a) one or more persons that are not Custodians on whose behalf the Custodian is holding Shares in the Company; or
- (b) a person, on whose behalf, another Custodian (**Downstream Custodian**) holds beneficial interests in Shares in the Company and the Custodian holds the Shares in the Company to which those beneficial interests relate, on behalf of the Downstream Custodian or another Custodian,

(each a **Participating Beneficiary**).

6.2 If you are a Custodian holding UIL shares on behalf of two or more persons jointly, the joint beneficiaries will be taken to be a single Participating Beneficiary for the purposes of these Terms and Conditions.

6.3 If you are a Custodian and hold Shares on behalf of one or more Participating Beneficiaries, you may apply for up to a maximum of \$15,000 worth of New Shares for each Participating Beneficiary subject to providing the Company with a Custodian Certificate (included for Custodians with these Terms and Conditions), in addition to the Application Form, certifying the following:

- (a) that, as at the Record Date, either or both of the following apply:
  - (1) you hold Shares on behalf of one or more Participating Beneficiaries;
  - (2) a Downstream Custodian holds beneficial interest in Shares in the Company on behalf of one or more Participating Beneficiaries, and you hold the Shares in the Company on behalf of the Downstream Custodian or another Custodian,

and each Participating Beneficiary has subsequently instructed the following person to apply for New Shares on their behalf pursuant to the SPP:

- (3) where paragraph 6.3(a)(1) applies, you as the Custodian; and

- (4) where paragraph 6.3(a)(2) applies, the Downstream Custodian.
- (b) the number of Participating Beneficiaries;
- (c) the name and address of each Participating Beneficiary for whom the Custodian applies for New Shares and that each Participating Beneficiary's address is located in Australia, New Zealand or Singapore;
- (d) in respect of each Participating Beneficiary:
  - (1) where paragraph 6.3(a)(1) applies, the number of Shares in the Company that you hold on behalf of the Participating Beneficiary; and
  - (2) where paragraph 6.3(a)(2) applies, the number of Shares in the Company to which the beneficial interests relate;
- (e) in respect of each Participating Beneficiary:
  - (1) where paragraph 6.3(a)(1) applies, the number or dollar amount of New Shares the Participating Beneficiary has instructed you to apply for on their behalf; and
  - (2) where paragraph 6.3(a)(2) applies, the number or dollar amount of New Shares the Participating Beneficiary has instructed the Downstream Custodian to apply for on their behalf; and
- (f) that there are no Participating Beneficiaries in respect of which the total of the application price for the following exceeds \$15,000:
  - (1) the Shares applied for by you as Custodian on their behalf under the SPP; and
  - (2) any other ordinary shares in UIL issued to you as Custodian in the 12 months prior to the date of submission of the Application Form as a result of an instruction given by them to you as Custodian to apply for ordinary shares in UIL under an arrangement similar to the SPP operated by UIL; and
- (g) that a copy of the written offer document was given to each Participating Beneficiary; and
- (h) where paragraph 6.3(a)(2) applies, the name and address of each Custodian who holds beneficial interests in shares in the Company held by the Custodian in relation to each Participating Beneficiary.

6.4 Custodians should have received a Custodian Certificate with these Terms and Conditions. If you are a Custodian and you did not receive a Custodian Certificate or would like further information on how to apply, you should contact the SPP Information Line on 1300 730 659 if calling from within Australia or +61 1300 730 659 if calling from outside Australia.

## **7. Issue of Shares**

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- 7.1 UIL is prohibited from issuing any New Shares to any Eligible Shareholder unless the Eligible Shareholder has provided the certification set out in clause 5, and if a Custodian, has provided a Custodian Certificate, at the time of applying for the Shares.
- 7.2 The Directors of UIL reserve the right to issue to Eligible Shareholders such number of New Shares under the SPP as is permitted under the Listing Rules without Shareholder approval. In the event that the SPP is oversubscribed, the Board reserves the right to allocate fewer, or no, New Shares than an Eligible Shareholder applies for under the SPP at its sole discretion.

- 7.3 UIL intends to issue the New Shares under the SPP on or about 11 November 2016 (**Issue Date**). The Company reserves the right to vary the Issue Date without further notice in the event that the Closing Date is varied pursuant to clauses 3.2 and/or 11.1.
- 7.4 In respect of application monies received from an Eligible Shareholder, the Company will, prior to the Issue Date, determine the maximum number of New Shares rounded down to the nearest whole number which may be acquired by any Eligible Shareholder.
- 7.5 The allocation of New Shares will be determined by the Board at its sole discretion.
- 7.6 The Directors reserve the right to accept oversubscriptions as they deem appropriate but not exceeding the threshold of \$15,000 per holder under the Class Order and not exceeding the threshold of 30% of the Shares on issue imposed under Listing Rule 7.1 Exception 15.
- 7.7 In the event that the Offer under the SPP is not fully subscribed, the Board reserves its right to issue New Shares in excess of the maximum \$15,000 worth of New Shares specified in clause 3.3. (**Additional Issue**), to any person (whether or not such person is an Eligible Shareholder) so long as the Additional Issue:
- (a) satisfies section 708 of the Corporations Act;
  - (b) complies with the ASX Listing Rules; and
  - (c) any approval of Shareholders to the Additional Issue which is required under the Listing Rules or the Corporations Act is obtained.
- 7.8 UIL will apply to ASX for quotation of the New Shares issued under the SPP and the Additional Issue (if any) within the period prescribed in the Listing Rules.

## **8. Subscription Price**

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- 8.1 The price of the New Shares will be the Subscription Price.
- 8.2 Compared with the Volume Weighted Average Market Price over the last 5 days on which trading in Shares were recorded immediately prior to the announcement of the SPP on 29 September 2016, the Subscription Price represents a 16.96% discount to the Volume Weighted Average Market Price over that period. The Subscription Price also represents a discount to the Market Price between 27 August 2016 and 23 September 2016.
- 8.3 The New Shares are a speculative investment and the Market Price of the Shares may change between the Opening Date and the Issue Date. This means that the Subscription Price you pay for the Shares may exceed the Market Price of the Shares at the Issue Date. On the last trading day immediately prior to the announcement date of the offer, the Market Price was the same as the Subscription Price. The Company does not make any assurance as to the Market Price of Shares and there can be no certainty that Shares in the Company will trade at or above the Subscription Price following the Issue Date. Shareholders should seek their own financial advice in relation to this Offer and participation in the SPP.
- 8.4 No brokerage, commissions, stamp duty or other transaction costs will be payable by Eligible Shareholders in respect of an application for, and an issue of, New Shares under the SPP.
- 8.5 The Company may pay brokerage and other commissions in respect of any subscriptions procured in respect of any Additional Issue, as determined by the Board in its discretion.

## **9. Rights attaching to New Shares**

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- 9.1 All New Shares issued under the SPP will be issued on the same terms as other Shares quoted on ASX and once issued, will rank *pari passu* with existing Shares. The Company will

apply for the New Shares to be quoted on ASX. It is anticipated that New Shares issued under the SPP will be quoted on ASX on, or shortly after, the Issue Date. Holding statements for the New Shares issued under the SPP will be sent to eligible Shareholders who have participated in the SPP. If you trade any New Shares before you receive your holding statement, then you do so at your own risk.

## **10. Non-residents**

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- 10.1 The right to participate in this offer under the SPP is available exclusively to persons who were registered as holders of Shares in the Company at 7.00pm (Brisbane time) on the Record Date and whose registered address was in Australia, New Zealand, Singapore or in another jurisdiction where, in the opinion of the Board, it is lawful and reasonably practical to extend the Offer according to the laws of that jurisdiction.
- 10.2 Eligible Shareholders who are not residents of Australia should consult their professional advisers as to whether any formalities need to be observed (either by them or the Company) to enable them to apply for New Shares. It is the responsibility of such Eligible Shareholders to obtain all necessary approvals so they may legally apply for New Shares. The return of a completed Application Form and accompanying Application Amount, or the forwarding of payment of the Application Amount using BPAY from a non-resident Eligible Shareholder will be taken by the Company to constitute a representation and warranty by that Eligible Shareholder that all relevant approvals have been obtained and that the Company may legally offer the New Shares to that Eligible Shareholder.

## **11. General**

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- 11.1 The Board may change or terminate the SPP at any time prior to the Issue Date. If the Board does so, it will advise the ASX. Any omission to give notice of changes to, or termination of, the SPP, or the non-receipt of any such notice, will not invalidate the change or termination.
- 11.2 If the SPP is withdrawn, all Application Amounts received by the Company will be refunded. No interest will be paid on any refunded Application Amounts.
- 11.3 In addition to any rights of the Board to reject applications as set out in these Terms and Conditions, the Board also reserves the right to allocate fewer, or no, New Shares than an Eligible Shareholder applies for under the SPP if the Board believes that the allotment of those New Shares would contravene any of the Listing Rules or the requirements of the Class Order. In any such case, excess Application Amounts will be returned to the relevant applicant(s). No interest will be paid on Application Amounts so returned.
- 11.4 The Company may settle in any manner it deems appropriate, any disputes or anomalies which may arise in connection with or by reason of the operation of the SPP, whether generally or in relation to any applicant or application for New Shares. The decision of the Company will be conclusive and binding on all persons to whom the determination relates.
- 11.5 The Company reserves the right to waive compliance with any provision of the SPP Terms and Conditions.
- 11.6 The Offer of New Shares under the SPP is in accordance with the Class Order which grants relief from the requirement to prepare a disclosure document for this Offer and in accordance with the Listing Rules.
- 11.7 In New Zealand, the Offer of New Shares under the SPP is in accordance with the *Securities Act (Overseas Companies) Exemption Notice 2013*, which grants relief from the requirement to prepare an investment statement or prospectus for this Offer.
- 11.8 The contents of this document have not been reviewed by any regulatory authority in any jurisdiction.



- 11.9 The Company warrants and declares that on the date of making this offer and on the date five days prior to issue of the New Shares under the SPP that it is a resident of Australia for Australian tax purposes and has lodged income tax returns in Australia and the value of Australian real property owned by the Company accounts for 50% or less of the Company total value. As a result, the Company and the Eligible Shareholder agree that the Withholding Component will not be retained by the Eligible Shareholder from the application monies paid pursuant to the SPP. For the purposes of this paragraph, the 'Withholding Component' means an amount equal to 10% of the application monies paid pursuant to the SPP.
- 11.10 By filling out the Application Form to apply for New Shares, you are providing personal information about yourself to the Company. The Company, and its' share registry on its behalf, collect, hold and use that personal information in order to process your application, service your needs as a Shareholder, to provide facilities and services that you request and to carry out appropriate administration. Your personal information may also be used from time to time to inform you about other products and services offered by the Company, as well as its related body corporates, which the Company considers may be of interest to you. If you do not want your personal information to be used for this purpose please contact the Company. You may request access to your personal information held by (or on behalf of) the Company by contacting the Company or its share registry, Link Market Services Limited.
- 11.11 These Terms and Conditions of the SPP are governed by the laws in force in Queensland.



**UIL Energy Limited**  
 ABN 92 153 352 160

All Registry communications to:  
 Link Market Services Limited  
 Locked Bag A14  
 Sydney South NSW 1235 Australia  
 Telephone: 1300 554 474  
 From outside Australia: +61 1300 554 474  
 ASX Code: UIL  
 Website: www.linkmarketservices.com.au

**SRN/HIN:**  
**Entitlement Number:**  
**Record Date:** 28 September 2016  
**Offer Opens:** 10 October 2016  
**Issue Price per Share:** A\$0.05

**Offer Closes**  
**5:00pm (Brisbane time):** 7 November 2016

## SHARE PURCHASE PLAN ("SPP") APPLICATION FORM

### How do I apply for Shares under this offer?

- Carefully read the SPP Terms and Conditions accompanying this form.
- Decide on the amount you wish to apply for.
- Pay for the Shares in accordance with the instructions outlined in the Terms and Conditions Booklet and further important instructions on the reverse of this form.
  - Option 1: Paying by BPAY®.
  - Option 2: Paying by Cheque, Bank Draft or Money Order.
- Payments must be in Australian dollars.

### PAYMENT OPTIONS

#### Option 1: Paying by BPAY®

If paying by BPAY®, you do NOT need to complete or return the Acceptance Slip attached to this Application Form below. Payment must be received by the Registry by BPAY® by 5:00pm (Brisbane time) on 7 November 2016. By paying by BPAY®, you will be deemed to have completed an Application Form for the number of Shares the subject of your Application Payment.

If you make a payment by BPAY® and UIL Energy Limited receives an amount which is not equal to either A\$2,500, A\$5,000, A\$7,500, A\$10,000 or A\$15,000, UIL Energy Limited may round down the number of Shares that you are applying for to the next lowest parcel at their discretion. Your payment must be for a minimum of A\$2,500.



**Biller Code:** [XXXXXXX]  
**Ref:**

#### Telephone & Internet Banking – BPAY®

Contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account. More info: www.bpay.com.au  
 © Registered to BPAY Pty Ltd ABN 69 079 137 518

#### Option 2: Paying by Cheque, Bank Draft or Money Order

If paying by cheque, bank draft or money order, complete and return the Acceptance Slip attached to this Application Form with your Application Payment.

- Tick the box beside the amount you wish to apply for, either A\$2,500, A\$5,000, A\$7,500, A\$10,000 or A\$15,000.
- Enter your cheque, bank draft or money order details. The amount of your Application Payment should be equal to the amount applied for in section A of the Acceptance Slip. Cheques, bank drafts or money orders must be drawn on an Australian branch of a financial institution in Australian currency, made payable to "UIL Energy Limited" and crossed "Not Negotiable". Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. If you provide a cheque, bank draft or money order for an amount that is not equal to either A\$2,500, A\$5,000, A\$7,500, A\$10,000 or A\$15,000, UIL Energy Limited may round down the number of Shares that you are applying for to the next lowest parcel at their discretion. Your payment must be for a minimum of A\$2,500.
- Enter your contact telephone number at which we may contact you regarding your application for Shares, if necessary.

**THIS IS A PERSONALISED FORM FOR THE SOLE USE OF THE SHAREHOLDER AND HOLDING RECORDED ABOVE.**

Please detach and enclose with payment



SRN/HIN:

Entitlement Number:

#### A I/we wish to purchase a parcel of Shares to the dollar amount of (tick one box only):

- 50,000 Shares<sup>(a)</sup> A\$2,500    OR   
  100,000 Shares<sup>(a)</sup> A\$5,000    OR   
  150,000 Shares<sup>(a)</sup> A\$7,500    OR   
  200,000 Shares<sup>(a)</sup> A\$10,000    OR   
  300,000 Shares<sup>(a)</sup> A\$15,000

(a) UIL Energy Ltd intends to offer one free Attaching Option for each New Share subscribed for, subject to obtaining shareholder approval at the Annual General Meeting (see accompanying SPP offer document for further details). These Attaching Options will be offered under a Prospectus issued after the Annual General Meeting. There is no guarantee that the approval will be obtained and that the Attaching Options will be issued.

#### B Make your cheque, bank draft or money order payable to "UIL Energy Limited" and crossed "Not Negotiable"

Drawer	Cheque Number	BSB Number	Account Number	Amount of Cheque
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	A\$ <input type="text"/> .00

#### C Telephone Number – Business Hours      Telephone Number – After Hours      Contact Name

<input type="text"/>	<input type="text"/>	<input type="text"/>
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## IMPORTANT INFORMATION

1. This is an important document which requires your immediate attention. If you are in any doubt as to how to deal with this Application Form, please consult a professional adviser.
2. If you do not wish to purchase additional Shares under this SPP, there is no need to take action.
3. Please ensure you have read and understood the SPP Terms and Conditions and this Important Information, before you make the Application Payment by BPAY® or you submit your Acceptance Slip with your Application Payment.
4. This SPP is non-renounceable. Applications can only be accepted in the name printed on the Application Form.
5. If you are a custodian, trustee or nominee within the definition of "custodian" in ASIC Class Order [CO 09/425] you must complete and submit an additional Schedule that contains additional certifications and details that must be provided ("the Schedule") before your Application will be received. The Schedule can be obtained by contacting the UIL Energy Limited SPP Offer Information Line. Applications received by custodians that are not accompanied by the Schedule will be rejected.
6. For applicants that are not required to complete the Schedule, by submitting the Acceptance Slip (with a cheque, bank draft or money order) or making payment by BPAY®, you certify that the aggregate of the Application Payment paid by you for:
  - the parcel of New Shares indicated on this Application Form or BPAY® payment; and
  - any other Shares applied for by you, or which you have instructed a Custodian to acquire on your behalf under the SPP or any other similar arrangement in the 12 months prior to the date of submission of the Acceptance Slip or payment by BPAY® does not exceed A\$15,000.
7. UIL Energy Limited reserves the right to make amendments to this Application Form where appropriate.
8. Applicants are not assured of receiving the Shares for which they have applied as UIL Energy Limited may scaleback applications in its discretion.

SAMPLE

### How to Lodge your Acceptance Slip and Application Payment

A reply paid envelope is enclosed for you to return your Acceptance Slip and Application Payment. No postage stamp is required if it is posted in Australia.

Acceptance Slip and the payment for New Shares must be received by the Registry no later than the closing date shown overleaf. If paying by BPAY® you do not need to complete or return the Application Form. You should check the processing cut off-time for BPAY® transactions with your bank, credit union or building society to ensure your payment will be received by the Registry by the close of the offer.

#### Mailing Address

UIL Energy Limited  
C/- Link Market Services Limited  
GPO Box 3560  
Sydney NSW 2001

or

#### Hand Delivery

UIL Energy Limited  
C/- Link Market Services Limited  
1A Homebush Bay Drive  
Rhodes NSW 2138 *(Please do not use this address for mailing purposes)*

Make sure you send your Acceptance Slip and Application Payment allowing enough time for mail delivery, so Link Market Services Limited receives them no later than 5:00pm (Brisbane time) on 7 November 2016. Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. UIL Energy Limited reserves the right not to process any Acceptance Slips and Application Payments received after the Closing Date.

If you require information on how to complete this Acceptance Slip please contact the UIL Energy Limited SPP Offer Information Line on 1300 730 659 if calling within Australia or +61 1300 730 659 if calling from outside of Australia.