



ASX Announcement

21 February 2017

UIL Energy Continues to Progress Perth Basin Projects

UIL Energy Ltd (**UIL Energy or the “Company”**) (ASX:UIL) is pleased to provide an update on its Perth Basin projects including the Ocean Hill and Walyering petroleum project areas.

Ocean Hill Project

UIL Energy has progressed planning efforts on the Ocean Hill project that includes approvals for drilling of the Ocean Hill #2 appraisal well and the acquisition of a 3D seismic survey covering up to 250km² over the Ocean Hill permit.

Management and Aztech Well Construction Pty Ltd (Aztech) progressed the Ocean Hill #2 well design and are on schedule to have the first round of approval documents submitted to the Department of Mines and Petroleum (DMP) later this quarter. The Company has been performing due diligence on suitable rigs for the drilling of the Ocean Hill # 2 well alongside the well design process and confident that at a well priced and capable rig will be available when needed.

A key part of scheduling the 3D seismic survey is ensuring the ecological survey is complete prior to year-end. The Company is pleased to report that Ecologia completed the required on-ground environmental assessment for the planned Ocean Hill 3D seismic program during December 2016. The next phase of activities will include submission of environmental plans to the DMP and this is planned for completion during March 2017.

Walyering Project (Farmout to Bombora)

Following completion of the Farmin Agreement (FIA) and Joint Operating Agreement (JOA) with Bombora Natural Energy Pty Ltd (Bombora) in November 2016, Bombora has, subject to certain conditions, been acquired by a listed vehicle Magnum Gas & Power Limited (ASX: MPE). Through MPE, Bombora is planning to raise sufficient funds to progress the Walyering Project farmout.

In parallel with the agreement with MPE, Bombora progressed the required ecological survey in November 2016 with the related report finalised this month. Discussions are now underway for any necessary heritage surveying and the application to conduct the 3D seismic survey is due to be submitted to the DMP during March 2017.

For and on behalf of the Board
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About UIL Energy Ltd

UIL Energy Ltd (ASX:UIL) is an Australian oil and gas exploration company targeting conventional and unconventional plays with a focus on the Perth Basin, one of Australia's largest producing basins.

The Company's strategy is to focus on large-scale opportunities across known petroleum basins with a history of gas production in Western Australia. UIL Energy has targeted areas that have pipeline or transport infrastructure in place or in reasonable proximity.

UIL Energy's permits in Western Australian provide it with access to the largest domestic gas sector in Australia. The gas market is supply constrained with estimated gas prices to rise above \$10/GJ in real terms over the next 16 years.

UIL Energy has an experienced Board and management team with an expertise in oil and gas exploration, development and production as well as a strong track record of value creation for shareholders.

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