

ASX Announcement
16 May 2018

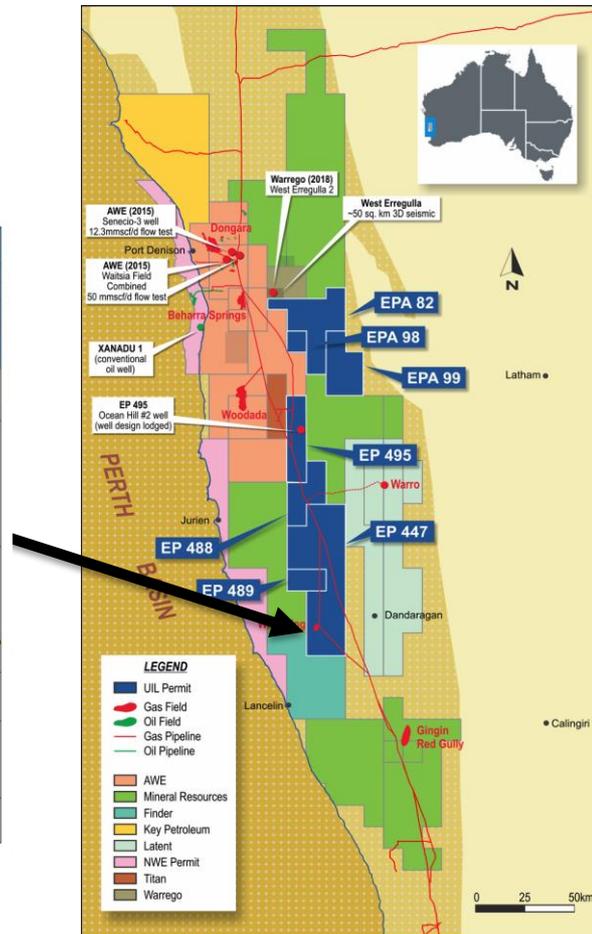
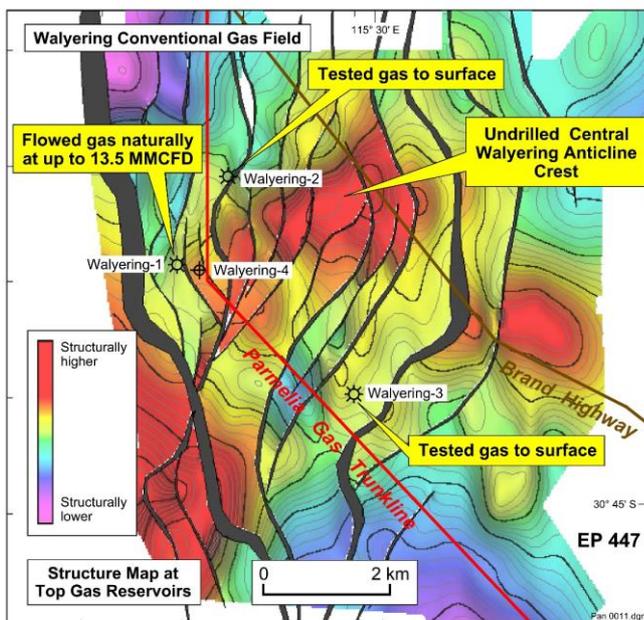
Upgraded Prospective Resources for Walyering Gas Field

The Directors of UIL Energy Ltd (**UIL Energy or the Company**) (ASX:UIL) are pleased to announce the progress achieved on the Walyering Gas Field, located in the southern part of EP447.

As background, UIL Energy and Pancontinental Oil and Gas NL (ASX: PCL) (“Pancontinental”) signed a Farmin Agreement and Joint Operating Agreement where Pancontinental agreed to fund up to \$2.5m for a 3D seismic survey and earn a 70% working interest in four graticular blocks within EP447.

Pancontinental has continued with efforts under the farmin agreement to earn a working interest and right to operate in the Walyering project area within UIL Energy’s 100% owned EP447. Key project updates includes the following:

- Upgraded gross Prospective Resources with a Best Estimate Prospective Resources of 63 BCF (Low Estimate of 10 BCF and High Estimate of 226 BCF) with associated condensate of 1.2 MMBbls¹; and
- Progressed environmental government approvals and land access arrangements for circa a 90km² 3D survey scheduled for November 2018.



The focus for Pancontinental is on the evaluation of the previously discovered Walyering Gas Field, where 3 of 4 historical wells encountered gas within multiple Jurassic age sands, with the best-tested unstimulated zone flowing initially at 13.5 MMscf/d.

In the event that the 3D data supports the size of the gas field compartments consistent with the current mapping, the parties will consider drilling of at least one appraisal /development well in 2019.

For and on behalf of the Board
Drew Speedy and Duncan Cornish
Co-Company Secretaries
UIL Energy Ltd

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1. Refer to the Pancontinental (ASX PCL) announcement dated 16 May 2018 for Prospective Resource Statement and the qualified competent person statement.

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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