



UIL Energy to Raise up to \$1.5 Million

29 September 2016

ASX : UIL

The Directors of UIL Energy Ltd (**UIL Energy or the Company**) (ASX:UIL) are pleased to announce that it has raised \$750,000 through a placement to professional and sophisticated investors through the issue of 15 million new shares at 5 cents per share ("**Placement**"). Directors of UIL Energy have committed to subscribe to a total of \$150,000 of the Placement, subject to receiving shareholder approval for their participation.

Participants in the Placement will also be offered one (1) attaching option for every one (1) share subscribed, exercisable at 7.5 cents with an expiry of 18 months for every share subscribed ("**Attaching Options**").

In order to allow existing shareholders the opportunity to participate on the same terms as investors in the Placement, the Company intends to undertake a Securities Purchase Plan ("**SPP**") to raise in the order of \$750,000 on the same terms as the Placement.

UIL Energy's Managing Director, John De Stefani commented:

"The Placement to new and existing shareholders, along with the upcoming SPP, will provide UIL Energy with the funding required to accelerate the Company's key activities which are focused on having two highly prospective locations ready to drill in 2017.

The Ocean Hill prospect combined with UIL Energy's current Perth Basin portfolio provides one of the most highly prospective acreage positions in the basin.

Our immediate focus is on advancing our highly prospective Ocean Hill prospect, where we hope to be drilling in 2017 to follow up positive results previously obtained by the Ocean Hill #1 well."

The Placement

The allotment of the Placement shares is not subject to shareholder approval and will fall within the Company's placement capacity under ASX Listing Rules 7.1. However, the participation of any Director of UIL Energy in the Placement will be subject to shareholder approval.

Subject to satisfying the ASX listing criteria, the Attaching Options are intended to be quoted on ASX, and will be issued subject to shareholder approval at the Company's Annual General Meeting, planned for mid-late November 2016. A Notice of Meeting will be distributed to shareholders in the coming weeks.

Hartleys Limited acted as Broker to the Placement.

The Share Purchase Plan (SPP)

The Board is pleased to provide eligible existing shareholders the opportunity to participate in the capital raising by undertaking an SPP to raise up to \$750,000.

UIL Energy shareholders will be invited to subscribe for new ordinary shares in UIL Energy at 5 cents per share. Shareholders who participate in the SPP will also be offered the Attaching Options on the basis of one (1) attaching option for every one (1) share subscribed.

Further details of the SPP will be released to eligible UIL Energy shareholders shortly.

The record date for the SPP is 28 September 2016.

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

For further information contact:

John De Stefani
Managing Director
Tel: +61 7 3007 9600

UIL Energy Limited
ACN 153 352 160
Level 9, 1 Eagle Street Waterfront Place
Brisbane QLD 4000
Website: www.uilenergy.com

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.

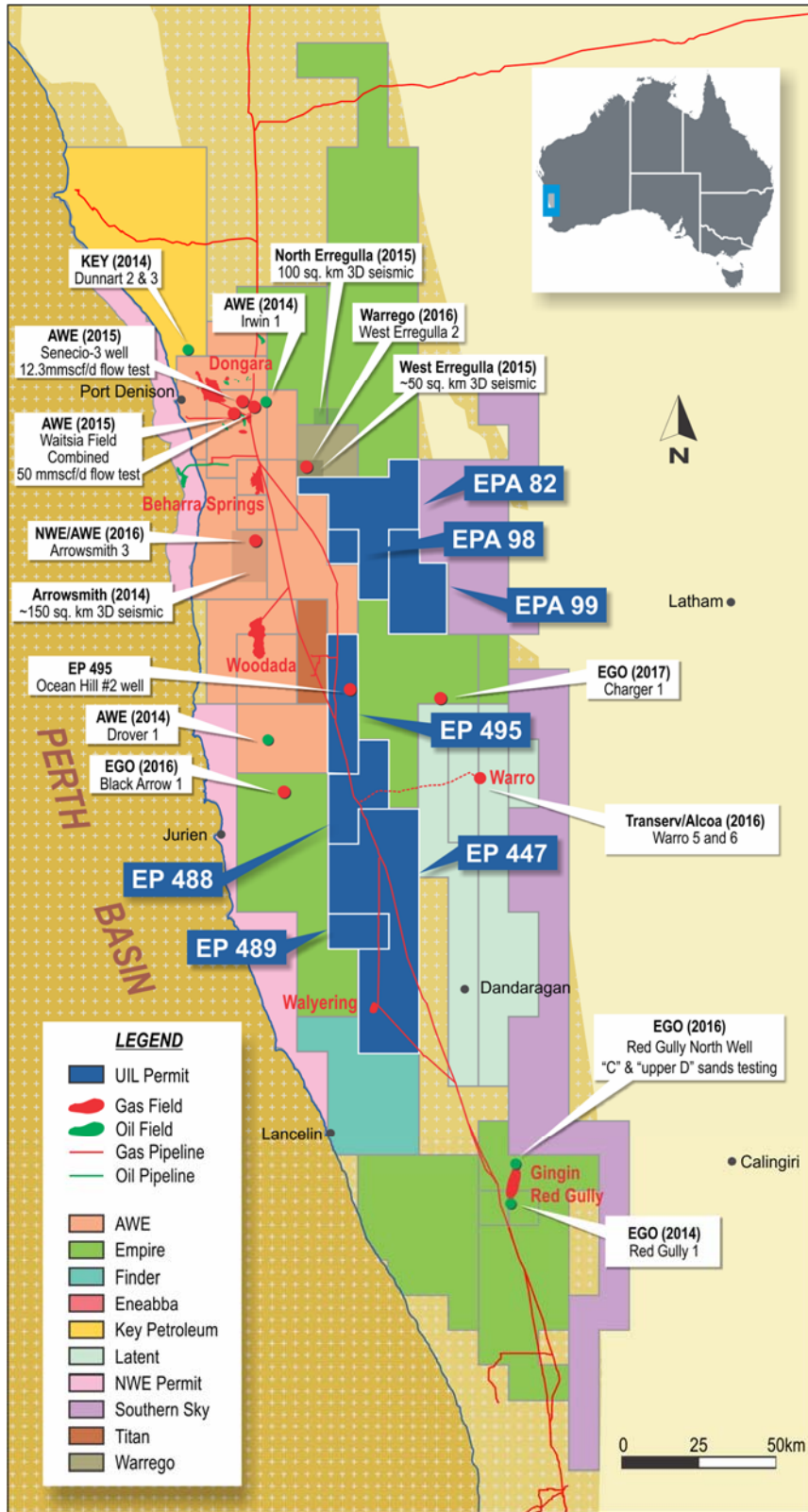
The Company's strategy is to focus on large-scale opportunities across known petroleum basins with a history of gas production in Western Australia. UIL Energy has targeted areas that have pipeline or transport infrastructure in place or in reasonable proximity.

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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Figure 1: UIL Energy's Impressive Perth Basin Holding



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