

OCEAN HILL PROSPECT

Exploration Permit EP-495

Onshore Perth Basin

Western Australia

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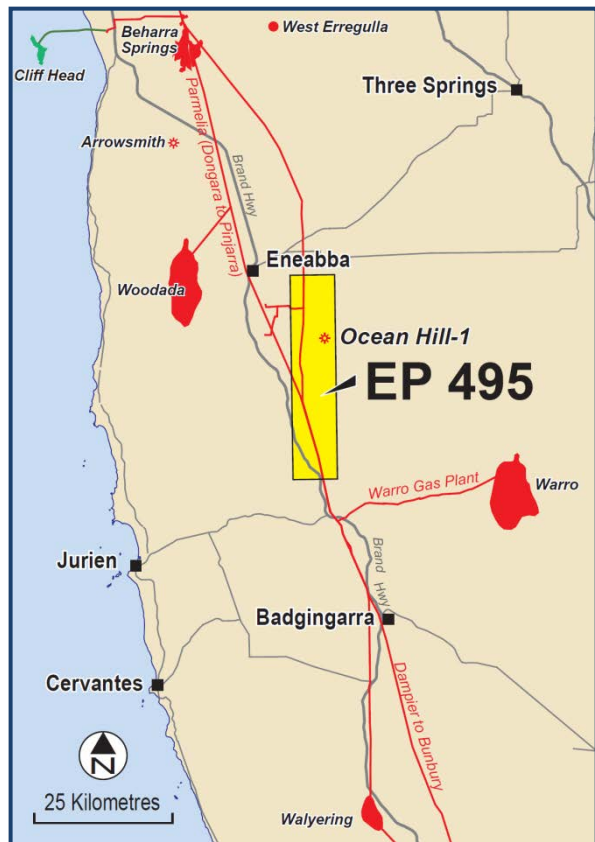
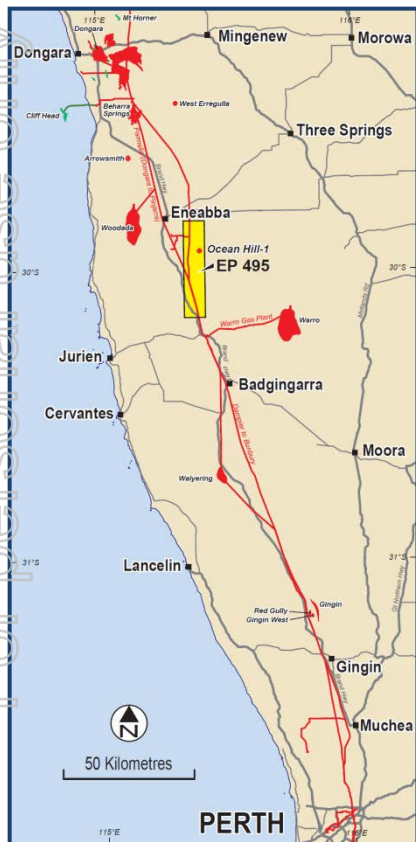


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- ④ “Contingent Resources” are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations, but the applied project(s) are not yet considered mature enough for commercial development due to one or more contingencies. Contingent Resources may include, for example, projects for which there are currently no viable markets, or where commercial recovery is dependent on technology under development, or where evaluation of the accumulation is insufficient to clearly assess commerciality.
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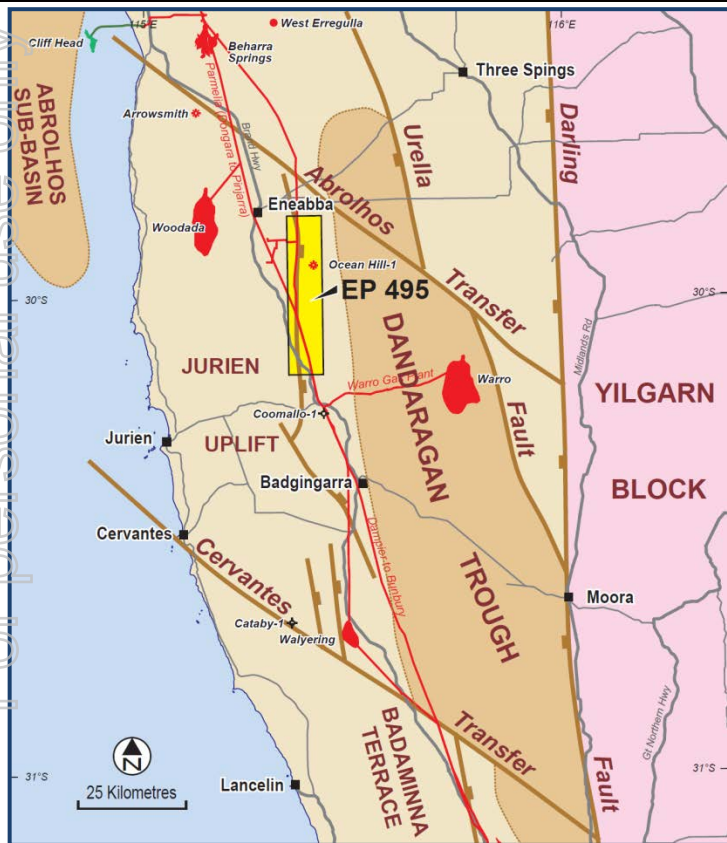
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EP-495 Location



- Awarded 16th May 2016
- Transferred to **Oceanhill Pty Ltd** (a wholly owned subsidiary of UIL Energy Limited) on the 25th August 2016
- Area: 300 sq Kms
- Located 200 Kms north of Perth
- Dongara to Perth and Dampier to Bunbury Natural Gas pipelines run North- South through the permit
- Compressor station 6.5 Kms from Ocean Hill





Regional Structure



- Permit located on western flank of Dandaragan Trough
- Cattamarra Coal Measures source rocks are interpreted to be in the oil and gas generating window in the Dandaragan Trough
- These source rocks are interpreted to have generated their hydrocarbons during the Early Cretaceous after the deposition of the thick Yarragadee Formation
- Ocean Hill on trend with series of gas bearing structures extending from Gingin and Red Gully in the south via Walyering and extending north to Ocean Hill
- These structures formed during the Late Jurassic and this timing is ideal to trap hydrocarbons migrating out of the Dandaragan Trough

Jurassic Stratigraphy

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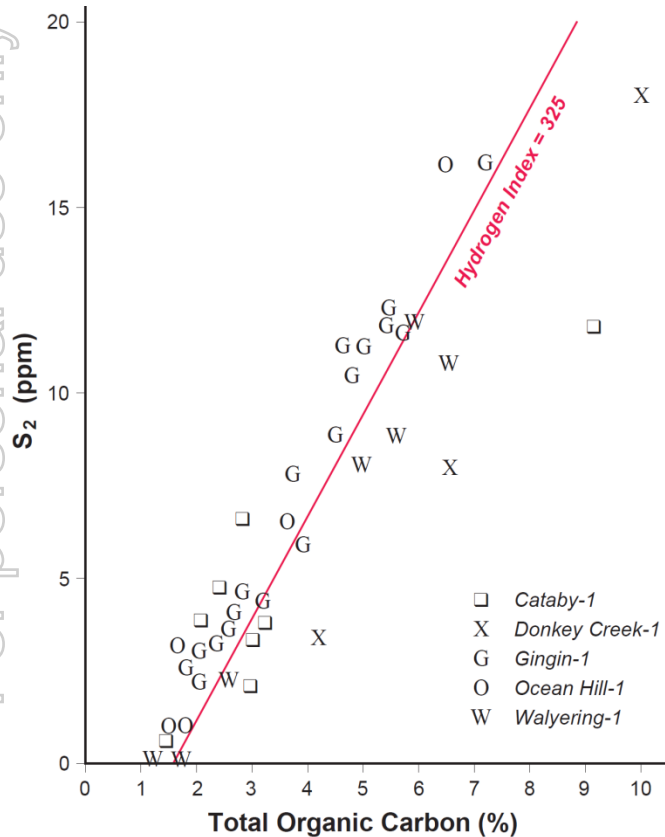
AGE	ZONE	LITHOLOGY	POTENTIAL	FORMATION
Bajocian	<i>D.complex</i>			YARRAGADEFEE FORMATION
	<i>D.caddaense</i>		Seal	CADDA FORMATION
Aalenian			Reservoir  Ocean Hill-1	A SAND
			Seal	COALY UNIT
			Source	
			Reservoir  Red Gully-1	B SAND
	<i>Upper C.turbatus</i>			UNIT C
Toarcian			Seal	D SAND
			Reservoir  Gingin-1 Walyering-1 Red Gully-1 Gingin West-1 Ocean Hill-1	
	<i>Lower C.turbatus</i>		Seal	
Pleinsbachian			Seal	UNIT E
	<i>Lower C.turbatus</i>		Reservoir  Gingin-2	
Sinemurian	<i>C.torosa</i>		Seal	ENEABBA RED BEDS
Hettangian			Reservoir	
LATE TRIASSIC	<i>A.reducta</i>		Seal	LESUEUR SANDSTONE

CATTAMARRA COAL MEASURES

- Sandstone reservoirs are present in the Cadda Formation, Cattamarra Coal Measures and Eneabba Red Beds
- These sandstones are sealed by marine shales in the Cadda Formation and alluvial plain and lacustrine shales in the Cattamarra Coal Measures
- Excellent oil and gas prone source rocks are present in the coals and carbonaceous shales in the Cattamarra Coal Measures
- Gas has been discovered in sandstones in the Cadda Formation and Cattamarra Coal Measures

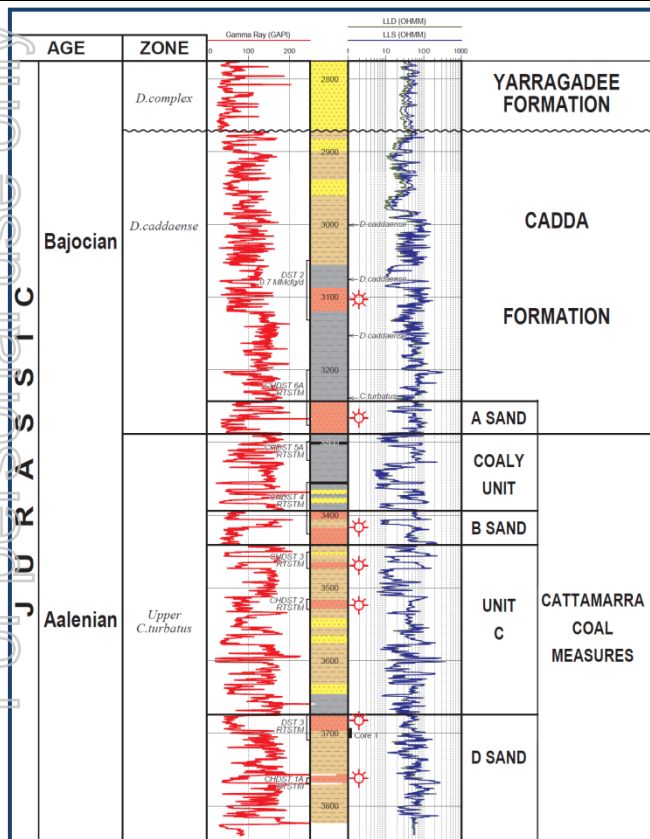
Source Potential Cattamarra Coal Measures

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- Carbonaceous shales have TOC's ranging from 1.1 – 13.9% with S₂'s up to 27
- Coals have TOC's ranging up to 79.5% with S₂'s up to 376
- All contain both humic and sapropelic organic matter and are capable of generating both oil and gas
- Maturity ranges from Ro=0.75 @ 3260m in Coomallo-1 to Ro=1.0 @ 3710m in Ocean Hill-1
- Although at peak oil maturity in Ocean Hill-1, these source rocks are interpreted to be in the gas window in the depths of the Dandaragan Trough to the east

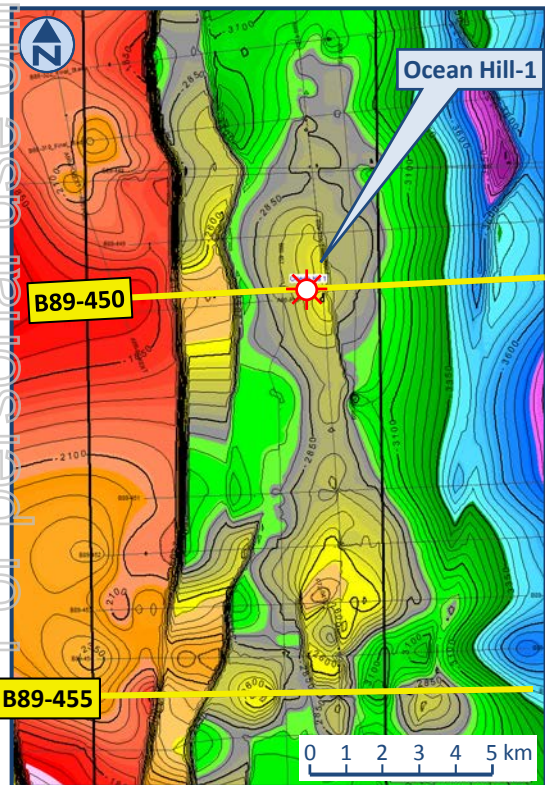
Ocean Hill-1 Well History and Summary



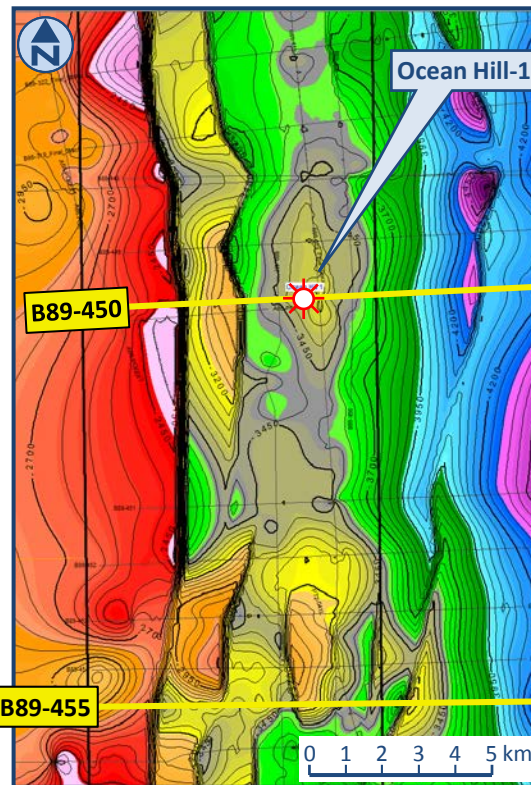
- Ocean Hill-1, the only well in EP-495, was drilled by Sagasco Resources in 1991 to a TD of 3,838m
- Tested a simple four way dip closed anticline
- Main objectives were Early Jurassic Cadda Formation and Cattamarra Coal Measures
- Significant gas shows encountered through Early Jurassic section from 3,077m to Total Depth
- Electric Log analysis indicates over 100m net gas pay within multiple stacked sands
- Open hole DST-2 over interval 3,063 – 3,130m in the Cadda Formation flowed gas at a rate of 0.7 MMscf/d
- Production tests six months later flowed at uncommercial rates and the well was P&A'd
- Multiple issues during testing: damaged well bore, packer failures and inconclusive pressure readings due to incomplete build-ups from low permeability

Depth Structure Mapping

Near Top Cadda Formation



Intra Cattamarra Coal Measures

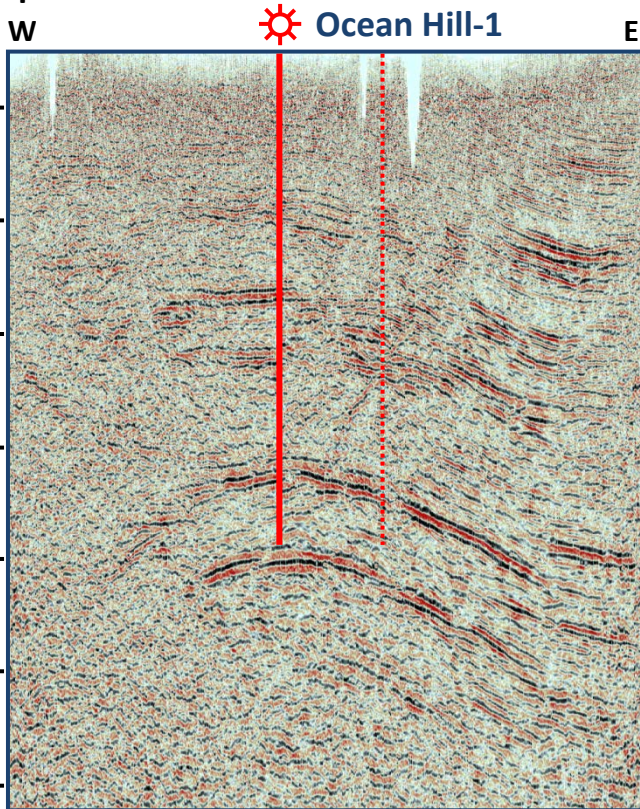


Seismic Line B89-450

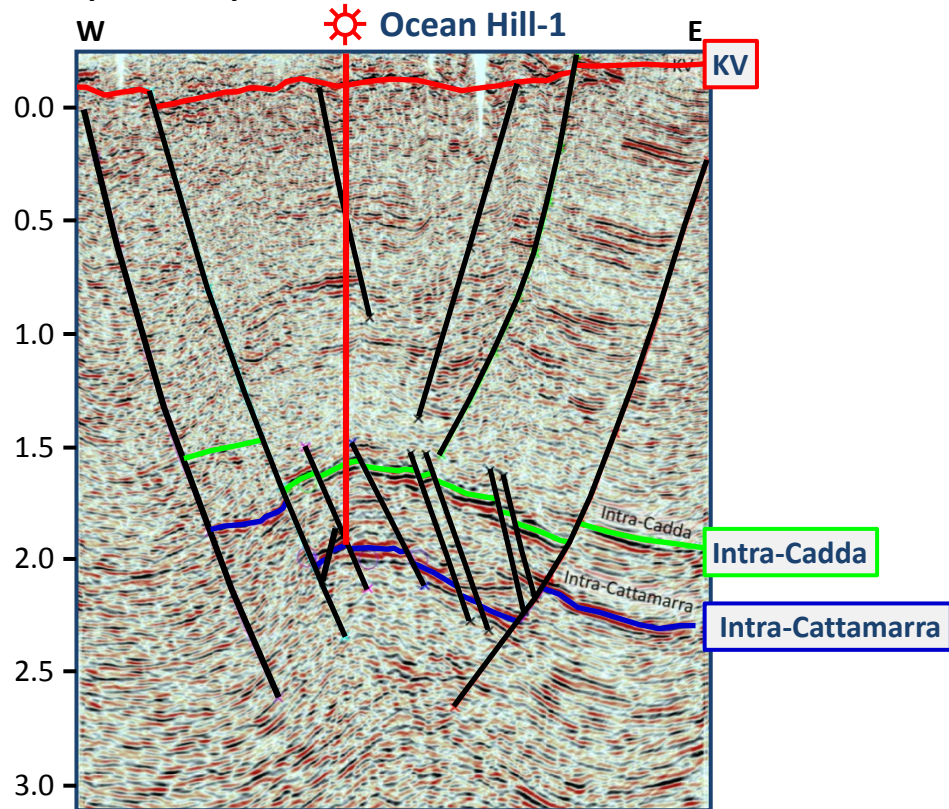
Ocean Hill Structure

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Unreprocessed



Interpreted reprocessed

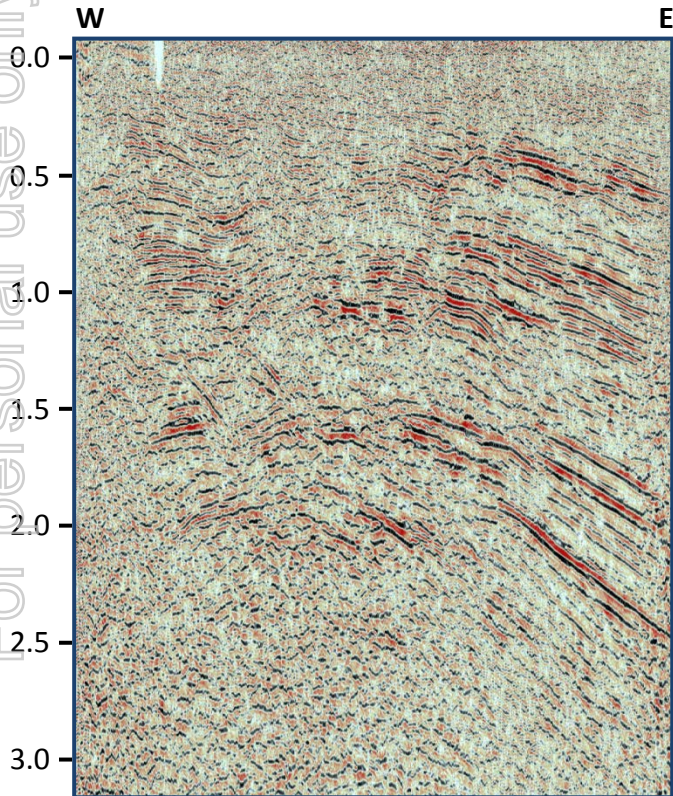


Seismic Line B89-455

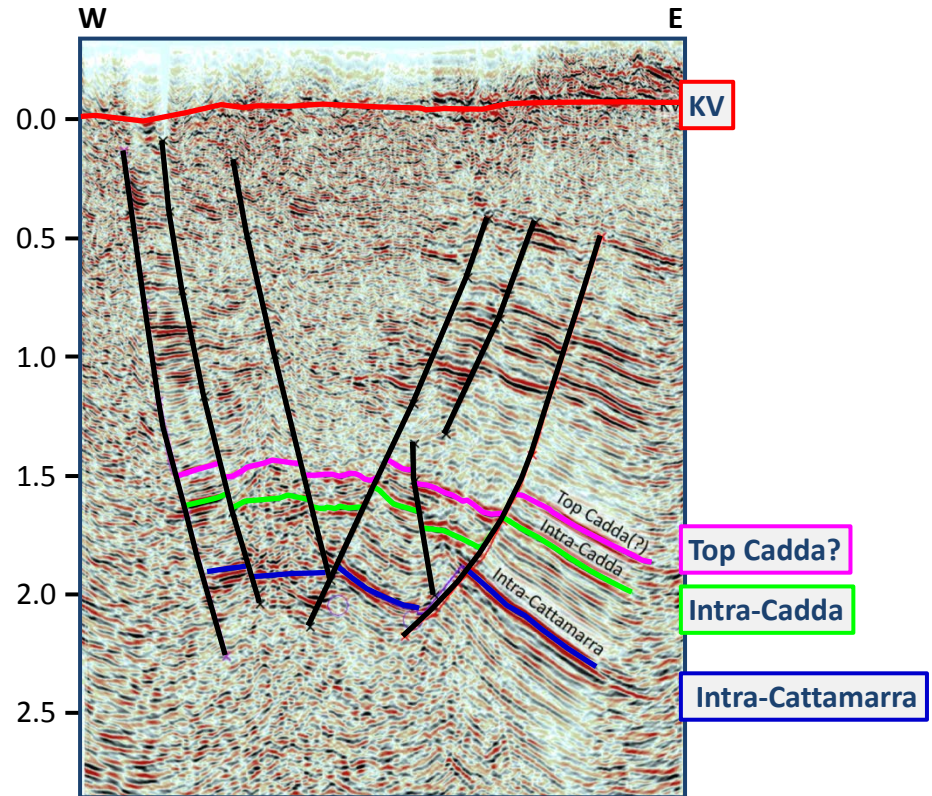
Ocean Hill South Structure

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Unreprocessed



Interpreted reprocessed



Contingent Recoverable Resources

Ocean Hill Structure



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GROSS RECOVERABLE SEPARATOR GAS

1C	2C	3C
24 Bcf	360 Bcf	796 Bcf

GROSS RECOVERABLE CONDENSATE

1C	2C	3C
145,000 bbl	1,181,000 bbl	2,559,000 bbl

(Based on a report by DeGolyer & MacNaughton)

Prospective Recoverable Resources

Ocean Hill South Structure



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ESTIMATED RECOVERABLE GAS

LOW	BEST	HIGH	MEAN
127 Bcf Gas	237 Bcf Gas	414 Bcf Gas	258 Bcf Gas

(Based on a report by DeGolyer & MacNaughton)