



Quarterly Report

30 June 2017



MORETON RESOURCES LIMITED

*Work Safe, Home Safe, MRV **SAFE***

The Board of Moreton Resources Limited ("Moreton" or "the Company") releases this quarterly report, as it marks another significant step towards becoming an operator, in what we believe is an imminent time horizon.

It has been an extremely busy period for Moreton as is apparent from the ASX announcements released since 1 April 2017. The most significant advancements for the Company in the June quarter were;

- Significant work undertaken by MRV Metals Pty Ltd (MRV Metals) on review of the re-start of operations at the Granite Belt Project ("the Project") in Texas, southern Queensland, which incorporates the former Twin Hills silver mine;
 - Appointment of Metallurgical Team and Chemical Engineer
 - Environmental Authority Issued
 - Opening of the Corporate Office
 - Mobilization ready for Exploration of EPM 8854
 - Companywide induction of currently employed 17 Staff
 - Continued project management and planning of the Granite Belt Project
- Advancement of significant EIS studies and transport studies for the South Burnett Coal Project
- Appointment of Mr Lee Horobin to our Co Sec and CFO role within the Moreton Resources Limited Group of companies
- Capital raise announced at a market premium and underwritten by First Samuels Limited as a major enabler of the Moreton Resources Limited projects advancement

As it stands currently, the MRV Tarong Basin Coal business continues to achieve and exceed its time lines and deliverables and the Company continues to be on track for environmental approvals in early 2018, followed by Mining Lease approval considerations and processes.

Equally the company believes imminently we are due to have our Mining Lease approved at the Granite Belt Project, and as such we continue to mobilize our Exploration efforts and increase our technical staffing in our Texas Corporate Office for the MRV Metals business, as we plan for recommissioning.

The Company continues to enjoy an environmental and safety record of nil injuries or incidents, and recently through the MRV Metals Pty Ltd induction program, adopted Company wide the mantra "Work Safe, Home Safe, MRV Safe" which the board has proudly adopted through the group. Also the launch of the MRV Metals Pty Ltd business has seen a reshaping and focus upon the entire Groups vision, values and culture, which will be rolled out within our Annual report and talked about by the Board at our AGM, scheduled for early October 2017.

1.0 TENEMENTS and PROJECTS

Statement of Tenement Status (As at 31 March 2017)

Tenement	Status	Region	Name	Equity Interest (%) *		Sub Company
				1 April 2017	30 June 2017	
Exploration Tenements						
EPC 1445	Granted	Bowen Basin	Mackenzie Project	100	100	MRV Bowen Basin Coal
EPC 882	Granted	Tarong Basin	South Burnett Project	100	100	MRV Tarong Basin Coal
EPM8854	Granted	Texas Region	Granite Belt Project	100	100	MRV Metals
EPM11455	Granted	Texas Region	Granite Belt Project	100	100	MRV Metals
EPM12858	Granted	Texas Region	Granite Belt Project	100	100	MRV Metals
EPM18950	Granted	Texas Region	Granite Belt Project	100	100	MRV Metals
EPM26275	Granted	Texas Region	Granite Belt Project	100	100	MRV Metals
Mining Development Leases						
MDL 503	Granted	Bowen Basin	Mackenzie Project	100	100	MRV Bowen Basin Coal
MDL 420	Granted	Surat Basin	Wandoan Project	100	100	MRV Surat Basin Coal
MDL 385	Granted	Tarong Basin	South Burnett Project	100	100	MRV Tarong Basin Coal
Mining Lease Applications						
MLA700015	Under Application	South Burnett	South Burnett Coal Project	0	0	MRV Tarong Basin Coal
MLA100106	Under Application	Texas Region	Granite Belt Project	0	0	MRV Metals

Statement of Tenement Status (As at 30 June 2017)* All assets are fully owned by subsidiary Companies; however, each is 100% wholly owned by the parent Company of Moreton Resources Limited.

1.2 OPERATIONAL COMMENTS

South Burnett Project (Tarong Basin, MDL 385-EPC 882)

This asset is progressing through the MLA and Coordinated Project (EIS) process and we are seeking to have lodgment of Environmental Applications and advancement of the MLA process in hand by late-2017, with a determination of such in mid to late-2018 for the South Burnett Coal Project.

Mackenzie Project (Bowen Basin, EPC 1445, MDL 503)

The Mackenzie project is still a key focus for the Company and whilst we do not envisage any substantial progress in the coming quarter, we continue to assess and plan with a target of advancing next step activities within the 2018 calendar year.

Wandoan Project (Surat Basin, MDL 420)

This asset continues to be held and a recent renewal has been lodged. We do believe the Surat Basin Region will be the subject of interest in the coming 12-24 months and therefore still hold the view that this is a valuable strategic asset.

Granite Belt Project (EPM8854, EPM11455, EPM12858, EPM18950, EPM26275)

As outlined in ASX announcements these assets continue to progress through to target identification and follow up on the back of the proposed Granite Belt Project, the regional mining precinct being pursued by subsidiary MRV Metals.

2.0 BUSINESS DEVELOPMENT

The Company continues to wait the outcome of the AAT matter and hence has not progressed any business development activities for the last quarter.

3.0 FINANCE AND COMMERCIAL

Moreton within the quarter took on its first debt facility and hence currently carries a loan of approx. \$3,025,000. The Company has another \$2,750,000 pending shareholder vote and \$225,000 pending performance hurdles of Mining Lease Grant. Over all the Company is in a strong position as it migrates into operator status pending Government Approvals.

In addition to this, the Company is seeking to close out its rights issue as at the 27th of July 2017, which is fully underwritten by First Samuels Limited, which will ensure a further \$4,660,000 is added to the Companies cash reserves. The last quarter was highly successful in attain all foreseeable Capital and Operating funds to move into operator status.

Costs in the last quarter equated to approx. \$626,000 with a further \$220,000 being expended upon plant and equipment as part of the Granite Belt Exploration Project mobilization. All in all actual corporate costs are reducing with a focus upon operations and our subsidiaries which has led to the opportunity to generate synergies in many of our roles and delivery focus.

Since this time last year the Company has seen a three time uplift in share price and the Company looks forward to the achieving a restart which will ensure the rapid advancement of multiple projects, which we believe the market should value in the coming quarters.

We continue to negotiate our contracts for recommissioning of the Granite Belt Project and are looking to aware major consumables contracts including fuels, lime and other products critical to the ramp up of the projects, post the appropriate approvals.

4.0 COMPANY OUTLOOK

Moreton believes the next 3 months will see a transition from explorer to operator, pending the receipt of government approvals for the Granite Belt Project. This will be a significant step change for the Moreton Resources group of Companies.

Jason Elks
Executive Chairman
Moreton Resources Limited

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