

Date: 2 May 2018

Company Update

The company has over the past months been dealing with the ASX regarding the acquisition of an interest in the Wailawi oil and gas field.

ASX has now considered the information provided to it by the Company in connection with its proposed transaction to acquire an interest in the Wailawi Oil and Gas project, a transaction to which Listing Rule 11.1.3 applies such that the Company is required to re-comply with Chapters 1 and 2 of the Listing Rules.

The ASX has formed a view that they believe that there is a significant likelihood that the Company would fail to meet ASX's requirements for reinstatement of its securities, were it to proceed with its application.

In accordance with Listing Rule 17.3, ASX will be suspending the Company's securities prior to trading this morning as the Company, in ASX's opinion, does not have a sufficient level of operations to warrant continued quotation of its securities.

The Company will now await formal written notification from the ASX to consider its way forward.