

2 July 2018

ASX ANNOUNCEMENT

By Electronic Lodgement

RESIGNATION OF CHIEF EXECUTIVE OFFICER AND SEARCH COMMENCED FOR REPLACEMENT

The Board of Moreton Resources Limited [ASX:MRV] ("the Company") wishes to advise that its Chief Executive Officer and Chairman, Mr Alexander Jason Elks, has notified the Board that he will not seek to renew his contract as Chief Executive Officer which is due to expire on the 23rd November 2018.

As shareholders are aware, Mr Elks requested resignation of the entire board at the time he took on the role of CEO back in November 2013 during the turbulent times for the Company. Since that time the Company, under Mr Elks guidance, has significantly advanced its strategic activities to become a producer and Mr Elks has determined that the objectives he had set out have been achieved. Going forward, Mr. Elks is keen to ensure he hands the role over to someone equally as capable to take the Company forward to its next phase of growth and development.

Mr Elks said: "It has been a significant journey and I am comfortable that my key objectives will be finalised and fulfilled by the close of this calendar year, and hence it is time to let the Company evolve and prosper under new leadership. Whilst I will remain as Chairman post my final day as CEO, I will certainly enjoy some personal time and bring things back into perspective and balance.

I have certainly thoroughly enjoyed the journey and believe the strategic objectives outlined below have been delivered in full or will in fact be closed out by the time I relinquish this role. I look forward to the oversight future accomplishments as Chairman and move away from the day to day engagements.

- *The acquisition of the Granite Belt, Statutory Approvals and moving into commissioning of the silver mine, all within 24 months, in turn fulfilling a 2014 commitment made by the Board at the Company AGM.*
- *The advancement of South Burnett Coal Project Feasibility Study which in my view, will significantly improve the Company's prospects for realisation of this project. This study will incorporate a significant level of engineering, environmental, technical and social impact studies that should demonstrate the practical ways in realisation of significant reserve of Coal, that has potential for a long term international off take agreements and therefore prosperity for the South Burnett region.*
- *The finalisation and conclusion of the Administrative Appeals Tribunal matter, whereby the Company took the Department of Innovation and Science to the Tribunal upon the belief that our prospects were good and the matters at hand were in the best interest of the shareholders, and we continue to await this decision which we hope will close out this chapter of the Company's history.*
- *The resolution of a number of legacy legal issues, and more recently disputed matters pertaining to regulatory approvals and operational parameters of our subsidiaries, and whilst*

some of these matters are still ongoing, I am comfortable and confident they will all be resolved prior to the close of this calendar year.

- *The development of our subsidiary structure, the housing of our significant assets and development of a strategy to realise that value with limited dilution, third party intervention, thereby maximising the future potential for existing shareholders.”*
- *The successful rehabilitation of Kingaroy’s UCG pilot site, which lead to establishment of the companies’ high-level of credibility in managing environmental matters.*

The Board would like to thank Mr Elks for his dedication and commitments to the Company and its shareholders as Chief Executive Officer and will now start an executive search to fill the role with a key focus on next steps to unlock the upside potential within the metals business and the advancement and focus upon the significant coal assets with no bigger priority then rapidly advancing the South Burnett Coal Project.

The Board would also like to notify the market it has drawn upon a \$1.2M loan facility as notified to the market in June, as we work toward production at the Granite Belt Project within the coming weeks.

- END -