

HIGHLIGHTS

Corporate/Finance:

- Rawson signed an MOU covering the sale of gas in the event the Nangwarry-1 Gas Exploration Well is a commercial success
- Lakes Oil N.L. made an off-market takeover Offer to acquire all of the issued shares in Rawson. At the close of the Offer Lakes Oil held 89.82% of Rawson shares
- Rawson exercised its Call Option under a pre-existing Put and Call Option Agreement in respect of 1,744,186 Dondonald shares in exchange for 14,707,072 Rawson shares, increasing Rawson's share of Dondonald to 93% from 60%. This was triggered on receipt of the takeover offer by Lakes Oil
- New Directors Chris Tonkin and Roland Sleeman appointed to the Rawson Board

Exploration Activities:

South Australia

- PEL 155: Nangwarry-1 engineering and design peer review and risk assessment completed
- Local community information sessions conducted
- Airborne Gravity Gradiometry and Magnetics survey contract executed

ASSET SUMMARY (as at end of Quarter)

Permit/Asset	Country	Basin	Rawson Interest (%)	Gross Area (km ²)	Operator
PEL 154	Australia	Otway	100%	302	Otway Energy
PEL 155	Australia	Otway	50%	226	Otway Energy
PPL 549	PNG	Aitape	93%	4947	Dondonald Limited
PPL 560	PNG	Cape Vogel	93%	4680	Dondonald Limited
APPL 550*	PNG	Papuan	93%	1624	Dondonald Limited
APPL 594*	PNG	Aitape	93%	6360	Dondonald Limited
APPL 622*	PNG	Aitape	93%	2334	Dondonald Limited
APPL 633*	PNG	Cape Vogel	93%	5138	Dondonald Limited

Rawson Oil and Gas Limited is an oil & gas exploration company, focussed on assets in high value strategic basins within the wider Asia-Pacific region, with key assets in the Otway Basin, South Australia, and the Cape Vogel and Aitape basins in Papua New Guinea.

*Denotes Petroleum Prospecting Licence Application

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DIRECTORS:

Chairman:

Mr Chris Tonkin

Non-Executive Directors:

Mr Roland Sleeman
Mr Richard Ash
Mr Michael McGowan
Mr Allister Richardson

OFFICERS:

Company Secretary:

Mr Robert Mayberry

CORPORATE REGISTRY:

Boardroom Pty Ltd

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Corporate/Financial Activities

Gas Sales MOU

Rawson Oil and Gas Limited advised on 11 July 2018 that it executed a non-binding Memorandum of Understanding (“MOU”) with Weston Energy Pty Limited (“Weston Energy”) to sell gas from the Nangwarry-1 exploration well in the Otway Basin, South Australia in the event of a commercial discovery.

The MOU represents a significant step towards signing a binding Gas Sales Agreement (GSA) between the two parties and covers the purchasing by Weston Energy of up to 4 petajoules (“PJ”) of gas per year for a period of five years. A future binding GSA is subject to a number of conditions, including success at Nangwarry-1 and Weston Energy finalising gas transportation arrangements.

The MOU also provides for Weston Energy making a prepayment of up to A\$6 million, which will give Rawson additional financial flexibility to execute future field development activities. The MOU will allow Rawson to quickly convert any discovered resource into reserves and production.

Lakes Oil N.L. Takeover Offer

On 31 July 2018 Rawson and Lakes Oil N.L. “Lakes Oil” announced an off-market takeover Offer to acquire all of the issued shares in Rawson. Under the Offer Rawson shareholders received consideration of 15 new Lakes Oil shares for each Rawson share held.

As part of the Offer Lakes entered into a Pre Bid Acceptance Deed with major Rawson shareholders in respect of 19.99% of the Rawson shares on issue. Lakes Oil also entered into a Secured Loan Facility Agreement with Rawson to meet Rawson’s working capital requirements while the Offer proceeds. This \$750,000 facility is important to ensure that preparations for drilling of the Nangwarry-1 well can proceed unhindered. The loan facility was subject to Rawson obtaining waivers from applicable ASX Listing Rules relating to Rawson providing its assets as security to Lakes Oil for this facility when Lakes Oil is a substantial shareholder in Rawson and Rawson complying with conditions imposed by the ASX for the waivers. These waivers were received.

Current Rawson Director, Richard Ash was offered a position on the Lakes Board as soon as Lakes acquired more than 50% of Rawson Shares on issue and the Offer became unconditional.

At the conclusion of the Offer period on 24 September 2018, Lakes Oil held 89.82% of the Rawson Shares on issue.

Rawson Exercises Call Option in PNG

On 31 July 2018 Rawson exercised its Call Option under a pre-existing Put and Call Option Agreement requiring the transfer of 1,744,186 Dondonald Limited “Dondonald” Shares from James Sinton Spence and Associates “SSA”. With this Call Option exercised Rawson holds 93% of Dondonald, increasing from 60% previously.

In exchange for the transfer of the Dondonald Shares to Rawson SSA received 14,707,072 Rawson Shares. Upon completion of the Call Option transaction the total Rawson Shares on issue was 112,754,222.

The Call Option was triggered by the Lakes Oil takeover offer for Rawson. Pursuant to the terms and conditions of the Put and Call Option Agreement the Lakes takeover offer for Rawson is considered a Liquidity Event, requiring Rawson to exercise its Call Option.

As part of a strategic move to build a petroleum exploration portfolio in Papua New Guinea, Rawson held a majority interest in Dondonald. The Put and Call Option Agreement, announced to the market on 18 July 2016, was executed to secure a capital investment into Dondonald from PNG-based investors to allow exploration work program commitments to be met. Once the Put and Call Option Agreement was executed Rawson held 60% of Dondonald, SSA as a party to the Put and Call option Agreement held 33%, with the remaining 7% held by other PNG-based Shareholders.

New Director Appointments

Rawson announced the appointment of Chris Tonkin and Roland Sleeman as non-executive Directors on 21 August 2018.

Chris has been appointed Chairman of Directors of Rawson. Chris is currently Chairman of Lakes Oil N.L. and a Non-Executive Director of Arafura Resources Limited. He has over 35 years' experience as a senior business executive with an extensive industry background in business development and management, finance and strategy across all major industries sectors and particularly in natural resources as an advisor to the mining and metals and oil and gas industries.

Roland is Chief Executive Officer of Lakes Oil N.L. He has over 30 years' experience in oil and gas as well as utilities and infrastructure. He has served in various senior management roles within the oil and gas industry including with Eastern Star Gas Limited and Goldfields Gas Pipeline and has extensive engineering and business experience including negotiating gas sales agreements and commercialisation of new gas and power station opportunities.

Exploration Activities

PEL 155 and PEL 154 - Otway Basin, South Australia

(PEL 155: Otway Energy 50%, Vintage Energy 50%; PEL 154: Otway Energy 100%)

Nangwarry-1 Engineering and Design Peer Review and Risk Assessment

The PEL 155 JV completed a peer review and risk assessment of the engineering and design of the Nangwarry-1 (Figure 1) well during the quarter.

Stakeholder Engagement

Rawson and its JV partner, Vintage, successfully held a community information day in Nangwarry concerning both the upcoming drilling and airborne geophysical survey operations in PEL 155.

Airborne Geophysical Survey

The PEL 155 JV has contracted CGG Aviation to acquire airborne gravity gradiometry and magnetics (AGG) data over PEL 155 (Figure 2) to provide improved definition of fault trends, fault blocks and geological structures in the area.

The results of the survey, in conjunction with existing seismic data will be utilised to assess the exploration potential in PEL 155 and in the appraisal of Nangwarry-1, should the well be successful.

The Geological Survey of Victoria (GSV) is conducting an airborne gravity survey across approximately 16,000km² of south west Victoria. The survey will assist the Victorian Gas Program's (VGP) scientific research into potential new onshore conventional gas and offshore gas resources in the region. The PEL

155 joint venture has taken advantage of the equipment being used presently in Victoria to acquire the data over its license area in a very cost-effective and timely manner.

PEL 154:

No activities this quarter (Figure 3).

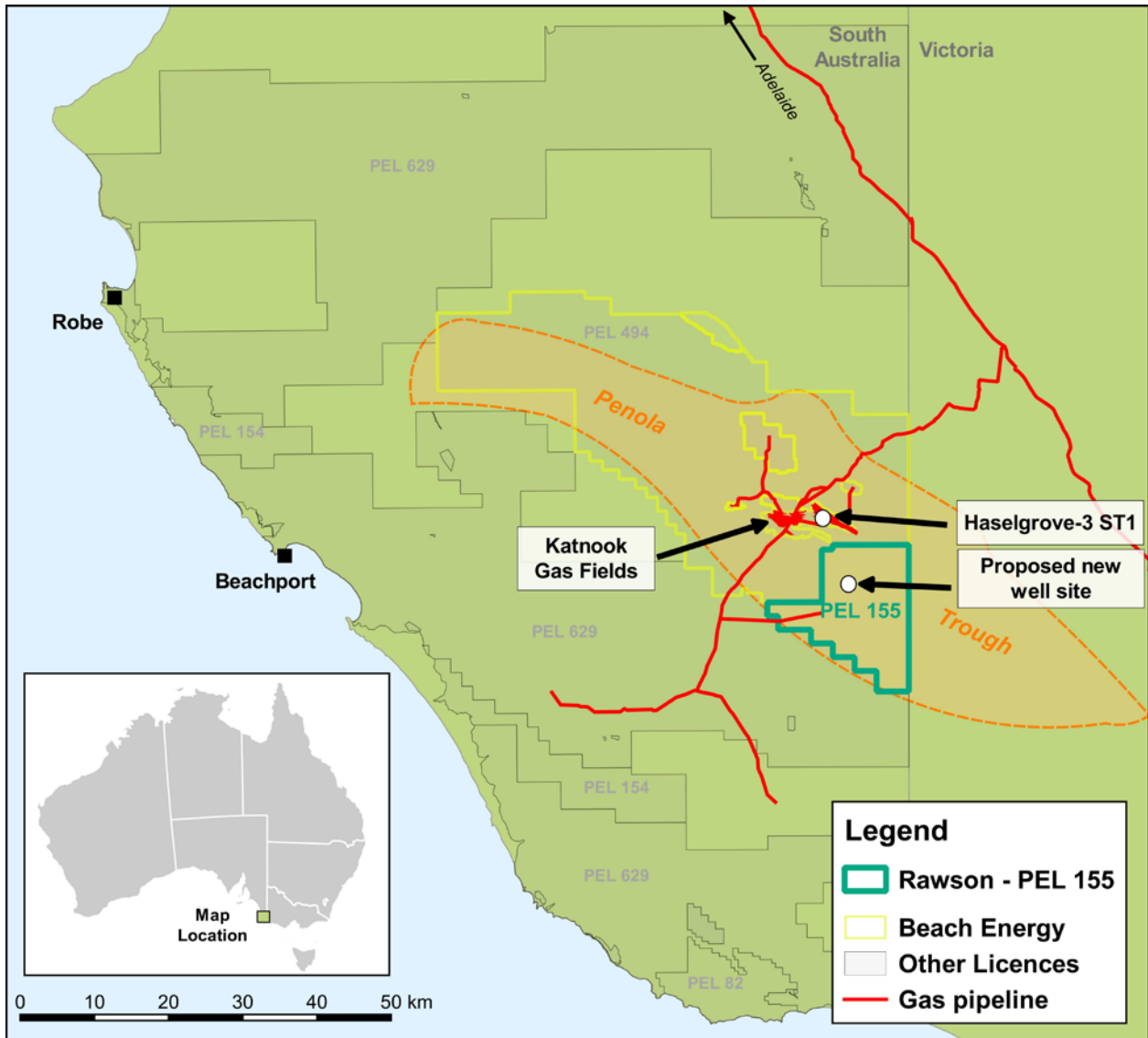


Figure 1. Proposed Nangwarry-1 well location in PEL 155, adjacent to Katnook gas fields.

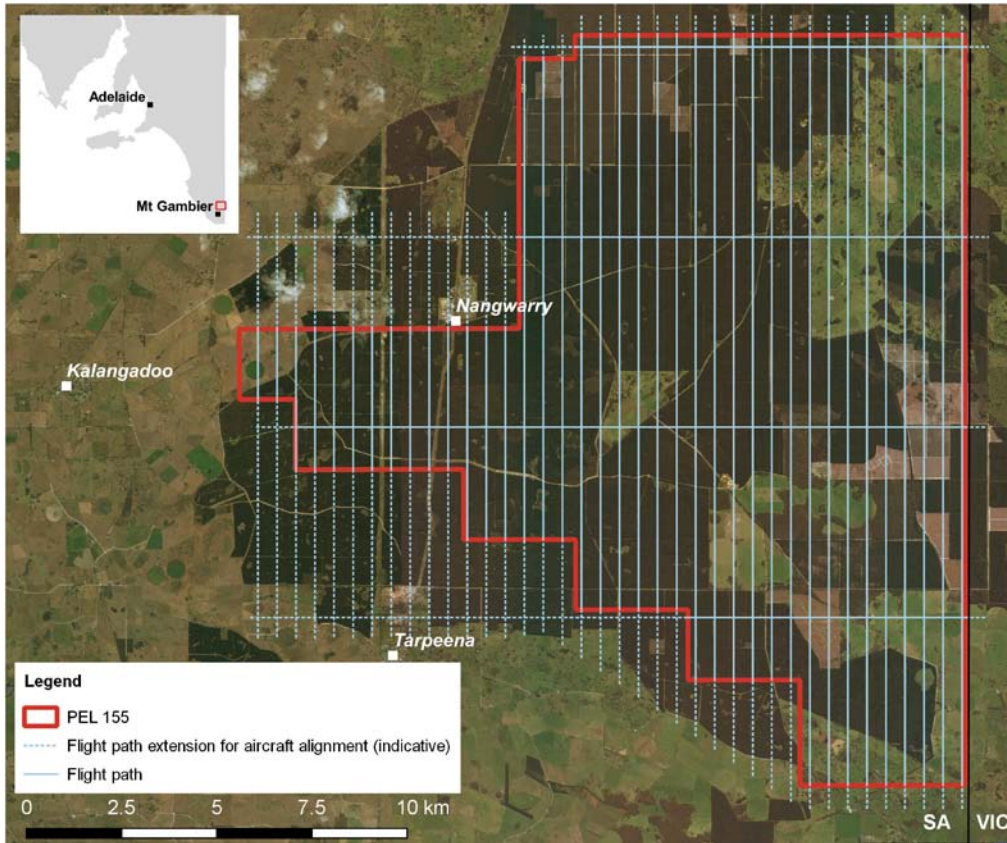


Figure 2. Airborne geophysical survey location map.

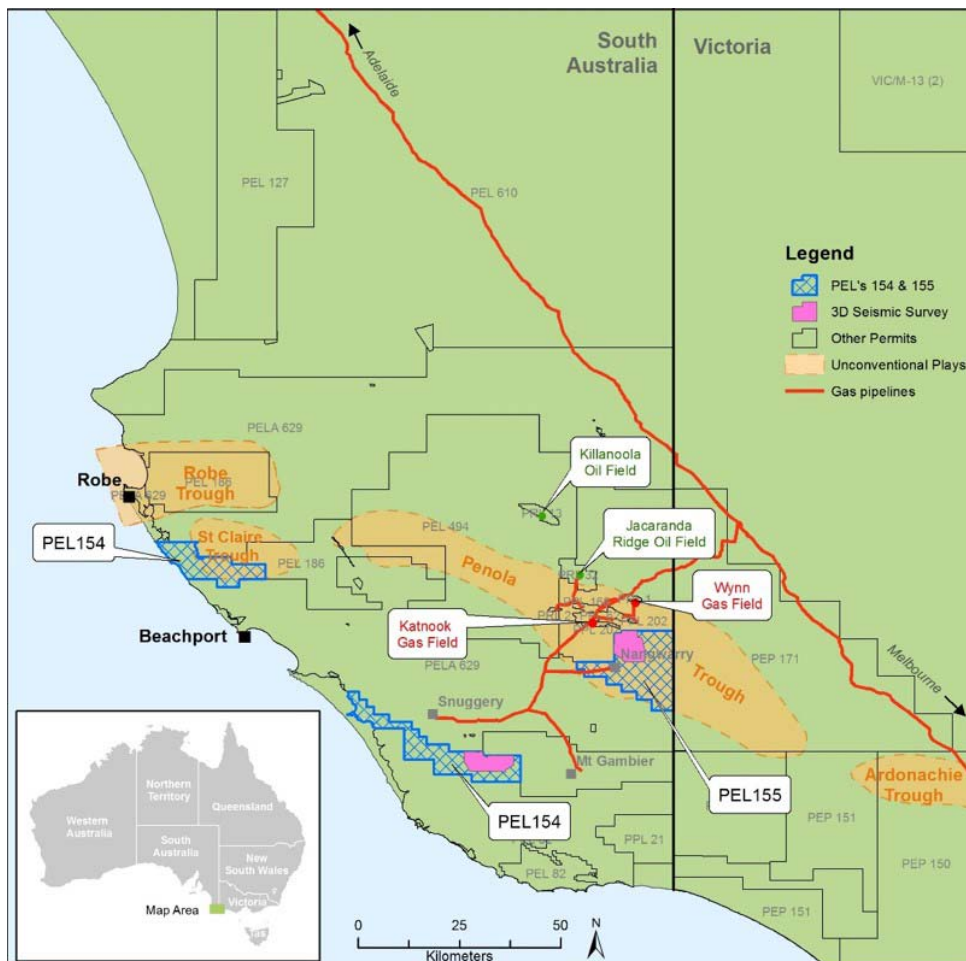


Figure 3. PEL 154 and PEL 155 location map, onshore Otway Basin, South Australia.

PPL 560 – Cape Vogel Basin, Papua New Guinea

(Rawson 93% - Operator; Moira Limited 7%)

No exploration activities undertaken this quarter.

Rawson has been granted leave by the Courts of Papua New Guinea to pursue a judicial review of the PNG Minister for Petroleum’s purported cancellation of PPL 560.

Rawson is seeking to have the Minister’s decision to cancel PPL 560 quashed.

Rawson has also been granted interim restraining orders preventing Dondonald’s name being removed from the Licence Register and preventing the Minister from granting a licence to a third party over some or all of the blocks covered by PPL 560. The restraining orders will remain in place until the Court has reviewed and ruled on the Minister’s decision.

To date the State has not made any submissions or filed any affidavits in support of the Minister’s decision.

A directions’ hearing has been set down for 19 November 2018. Rawson intends to seek the earliest possible trial date at the directions hearing with a trial date in February or March 2019 being the most likely outcome

While the proceedings remain before the Court in PNG, Rawson and Dondonald are continuing to work with the Minister’s office and the PNG Department of Petroleum and Energy to resolve all outstanding issues with respect to PPL 560.

Rawson has engaged experienced local PNG counsel to represent it at the trial and, as required, they will be supported by Australian counsel.

PPL 549 - Aitape Basin, Papua New Guinea

(Rawson 93% - Operator; Moira Limited 7%)

No activities undertaken this quarter.

Exploration Licence Applications

APPL 550 - Western Province; APPL 594 & APPL 622– Aitape Basin; APPL 633 – Cape Vogel Basin, Papua New Guinea

Figure shows an overview of Rawson’s exploration portfolio, including its licence application areas in PNG.

We will make announcements on the outcome of these applications once the Department of Petroleum and Energy (DPE) in Papua New Guinea have made a decision.

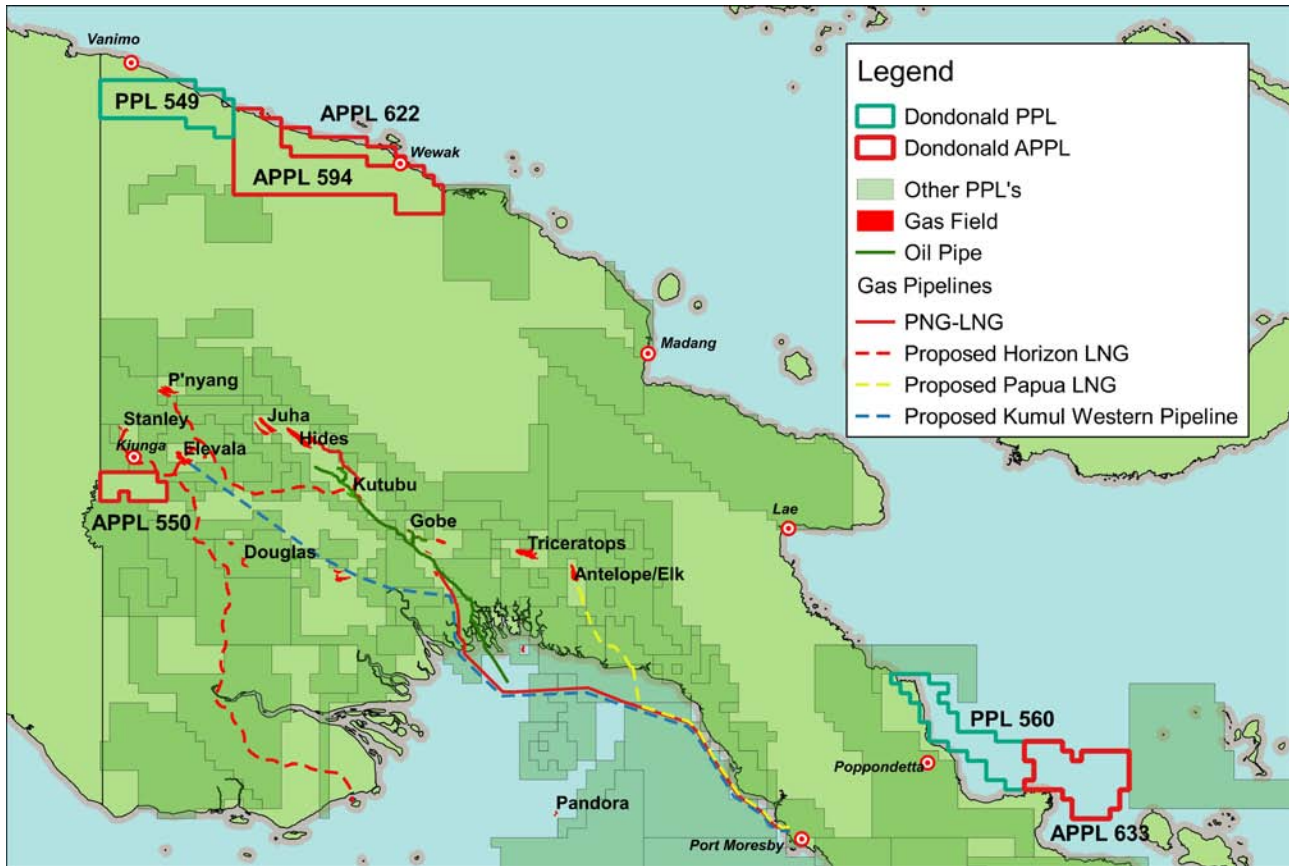


Figure 4. Rawson's exploration portfolio in Papua New Guinea.

Additional information required under ASX Listing Rule 5.4.3

Asset Summary

List of petroleum tenements held by Rawson at quarter ending 30 September 2018:

Reference	Project Name	Location	Company Interest	Area (km ²)
PEL 154	Otway	SA	100%	302
PEL 155	Otway	SA	50%	226
PPL 549	Aitape	PNG	93%	4947
PPL 560	Cape Vogel	PNG	93%	4680
APPL 550*	Fly River	PNG	93%	1624
APPL 594*	Aitape	PNG	93%	6360
APPL 622*	Aitape	PNG	93%	2334
APPL 633*	Cape Vogel	PNG	93%	5138

* Denotes Petroleum Prospecting Licence application

There were no petroleum tenements acquired or disposed of during this quarter except as mentioned above. There were no beneficial interests held in farm-in or farm-out agreements at the end of the

quarter except as mentioned above. There were no beneficial interests in farm-in or farm-out agreements acquired or disposed of during the quarter except as mentioned above.

Additional information required under ASX Listing Rule 5.2.1

There have been no activities relating to oil and gas production or development during the quarter.

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