

21 January 2019

ASX ANNOUNCEMENT

By Electronic Lodgement

COMPANY UPDATE UPON STRATEGIC REVIEW

Moreton Resources Limited (**ASX:MRV**) ("the Company") would like to update the market on its progress with interested parties upon the Strategic Review of Company Assets.

As outlined in previous announcements the Company has had expressions of interest for the Surat Basin Coal Business and the Bowen Basin Coal business that we are continuing to advance and consider options for these assets. Equally the Company has also undertaken talks as to the advancement opportunities with the MRV Metals Pty Ltd business.

Whilst these talks continue to remain at the early stages and are far from complete, the Company will update the market as things progress and should we come to a conclusion, be it favourable for a possible transaction or otherwise. In the meantime, the Company continues to focus upon advancement of the Granite Belt Project through the MRV Metals Pty Ltd business and that of the South Burnett Coal Project, via our subsidiary Tarong Basin Coal Pty Ltd.

We are also as the market is aware, in the process of advancement through the early stages of EIS with the Surat Basin Coal Project under the banner of Surat Basin Coal Pty Ltd.

In addition to the formal process, the Company has been approached by parties outside of the process and whilst we always continue to evaluate opportunities both for potential acquisition and divestments, we will continue discussion, but our primary focus is the advancement of the key assets currently existing within the portfolio.

To facilitate this, we are also instigating talks with funders in an effort to restructure our total debt, that will assist in the facilitation of the South Burnet Coal Project's completion of EIS and Feasibility, and also the commencement and subsequent funding for completion of the Surat Basin Coal feasibility, which we believe has significant potential as a Coal and incidental Gas extraction project, taking advantage of the recent legislative changes in Queensland.

- END -