



**ENEGEX N.L.**

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## QUARTERLY ACTIVITY REPORT

**31 MARCH 2015**

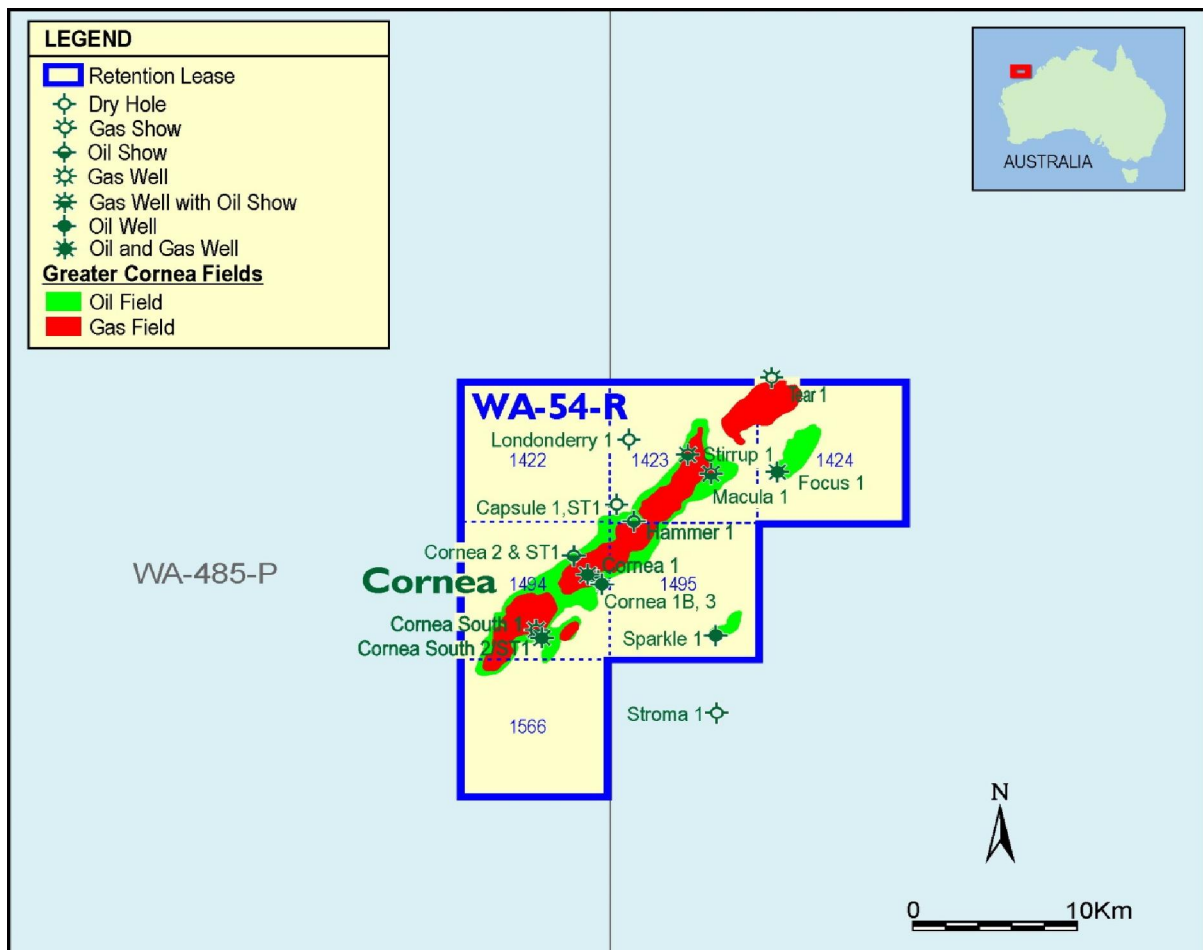
Enegex NL (**ASX Code: ENX**) holds a working interest in a petroleum Retention Lease WA-54-R located in the Browse Basin. Details of the lease and the work activities undertaken during the quarter are provided below.

### OPERATIONAL MATTERS

#### WA-54-R – Cornea Retention Lease, Browse Basin

Enegex holds a 14.875% interest in the Cornea Retention Lease, WA-54-R (Lease), granted for an initial 5-year term in May 2014 and located in the Browse Basin offshore from Western Australia.

The Lease covers the Cornea Location Area of six graticular blocks (approximately 497 km<sup>2</sup>) located in the Browse Basin offshore from Western Australia. It incorporates the Cornea oil and gas accumulations (Greater Cornea Fields) – see Figure 1. The Greater Cornea Fields include the Cornea (Central and South), Focus and Sparkle Oil Fields and the Cornea North (Tear) Gas Field.



**Figure 1: Cornea Retention Lease Location Map**

## Work Programme designed to achieve early commercial production

The Greater Cornea Fields are seen as an economic value opportunity and the path to early development is to overcome the technical challenges to unlock that value as quickly as possible. The recent steep oil price decline has added another challenge to development.

During the quarter work on various studies continued with year one studies nearing conclusion. In the main, the studies are a lead up to the drilling of a production test well in Year 4. The studies are aimed at overcoming various technical challenges likely to be faced in bringing the Greater Cornea Fields into commercial production. The oil and gas volumes in the Greater Cornea Fields are such that, if threshold production flow rates can be demonstrated, dependent on oil price, the economics should be attractive and provide a reasonable expectation of commercial development.

## Details of Contingent Oil Resources

Table 1 below presents the probabilistically derived *In-place and Contingent Oil Resources for the Cornea Central and South Oil Fields*, with no development risk having been applied in deriving these volumes.

	Low Estimate	Best Estimate	High Estimate	
Middle Albian B & C Sands	(P90)	(P50)	(P10)	Units
Total Oil In-place	298.0	411.7	567.2	mmbbl
Recovery Factor (RF)	2	7	25	%
Contingent Oil Resources	7.9	28.8	101.9	mmbbl
Prospective Enegex Economic Interest*	1.16	4.28	15.16	mmbbl

\* Based on Enegex's 14.875% Participating Interest in WA-54-R.

Table 1: *In-place and Contingent Oil Resources for Cornea Central and South Fields*

## WA-409-P – Carnarvon Basin

Following advice from the operator, Apache Energy, that they were withdrawing from the permit, Enegex also withdrew, effective 5 February 2015.

By Order of the Board



**R J Wright**  
Company Secretary

Melbourne, Australia  
30 April 2015

# Appendix 5B

## Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10, 17/12/1, 01/05/2013.

Name of entity

**ENEGEX NL**

ABN

28 160 818 986

Quarter ended ("current quarter")

31 March 2015

### Consolidated statement of cash flows

		Current quarter \$A'000	Year to date (9 months) \$A'000
<b>Cash flows related to operating activities</b>			
1.1	Receipts from product sales and related debtors		
1.2	Payments for (a) exploration and evaluation (b) development (c) production (d) administration	(1)	(27)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	10	11
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Other		
<b>Net Operating Cash Flows</b>		(47)	(231)
<b>Cash flows related to investing activities</b>			
1.8	Payment for purchases of: (a)prospects (b)equity investments (c) other fixed assets		
1.9	Proceeds from sale of: (a)prospects (b)equity investments (c)other fixed assets		
1.10	Loans to other entities		
1.11	Loans repaid by other entities		
1.12	Other (provide details if material) –		
<b>Net investing cash flows</b>			
1.13	Total operating and investing cash flows (carried forward)	(47)	(231)

+ See chapter 19 for defined terms.

**Appendix 5B****Mining exploration entity and oil and gas exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(47)	(231)
<b>Cash flows related to financing activities</b>			
1.14	Proceeds from issues of shares, options, etc.		
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Share issue costs		
<b>Net financing cash flows</b>			
<b>Net decrease in cash held</b>		(47)	(231)
1.20	Cash at beginning of quarter/year to date	573	757
1.21	Exchange rate adjustments to item 1.20		
1.22	<b>Cash at end of quarter</b>	526	526

**Payments to directors of the entity and associates of the directors, related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	22
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

+ See chapter 19 for defined terms.

### Financing facilities available

*Add notes as necessary for an understanding of the position.*

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities		
3.2 Credit standby arrangements		

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	10
4.2 Development	
4.3 Production	
4.4 Administration	60
<b>Total</b>	<b>70</b>

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	116	73
5.2 Deposits at call	410	500
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter</b> (item 1.22)	<b>526</b>	<b>573</b>

### Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed		See Activity Report Section		

+ See chapter 19 for defined terms.

## Appendix 5B

### Mining exploration entity and oil and gas exploration entity quarterly report

6.2	Interests in mining tenements and petroleum acquired or increased		See Activity Report Section		
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### Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preference + securities</b> (description)				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b>+Ordinary securities</b>	53,666,491	53,666,491		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 <b>+Convertible debt securities</b> (description)				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 <b>Options</b> (description and conversion factor)	7,357,105	7,357,105	Exercise price 10 cents	Expiry date 30/06/2015
7.8 Issued during quarter				
7.9 Exercised during quarter				

+ See chapter 19 for defined terms.

7.10	Expired during quarter	-	-		
7.11	<b>Debentures</b> (totals only)				
7.12	<b>Unsecured notes</b> (totals only)				

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: .....  
(Company Secretary)

Date: 30/04/2015

Print name: R .J. WRIGHT

## Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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