

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of entity

Aleator Energy Limited

ABN

39 063 074 635

Quarter ended ("current quarter")

30 June 2014

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(56)	(525)
(b) development	-	-
(c) production	-	-
(d) administration	(145)	(975)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	(2)	1
1.5 Interest and other costs of finance paid	(23)	(295)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
	(226)	(1,794)
Net Operating Cash Flows		
Cash flows related to investing activities		
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)	-	-
	-	-
Net investing cash flows		
1.13 Total operating and investing cash flows (carried forward)	(226)	(1,794)

+ See chapter 19 for defined terms.

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1.13	Total operating and investing cash flows (brought forward)	(226)	(1,794)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from loan	181	406
1.16	Proceeds from convertible loan	-	750
1.17	Monies held in Trust	-	-
1.18	Dividends paid	-	-
1.19	Cost of share issue	-	(4)
	Net financing cash flows	181	1,152
	Net increase (decrease) in cash held	(45)	(642)
1.20	Cash at beginning of quarter/year to date	613	1,191
1.21	Exchange rate adjustments to item 1.20	-	19
1.22	Cash at end of quarter	568	568

Payments to directors of the entity, 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	5
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

1.2 All expenditure incurred on exploration & evaluation in the statement of cash flow has been capitalised as an asset in the Balance Sheet.

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

Nil

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

Nil

+ 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	396	396
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	50
4.2 Development	-
4.3 Production	-
4.4 Administration	200
Total	250

Note: The Company is currently concluding financing arrangements sufficient to meet planned exploration and evaluation activities in the forthcoming quarter. The timing of exploration and evaluation expenditure will be determined upon conclusion of these financing initiatives.

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	53	96
5.2 Deposits at call	165	167
5.3 Bank overdraft		
5.4 Prepayment Deposit - Crimea (recovery pending)	350	350
Total: cash at end of quarter (item 1.22)	568	613

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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	Nil	-	-
6.2	Interests in mining tenements and petroleum tenements acquired or increased	Nil	-	-

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	Preference securities			
	<i>(description)</i>			
7.2	Changes during quarter			
	(a) Increases through issues			
	(b) Decreases through returns of capital, buy-backs, redemptions			
7.3	+Ordinary securities	2,207,212,167	2,207,212,167	- Fully Paid
7.4	Changes during quarter	120,000,000	120,000,000	0.08
	(a) Increases through issues	31,500,000	31,500,000	0.1
		204,934,244	204,934,244	0.08
	(b) Decreases through 5B correction			
7.5	+Convertible debt securities			
	<i>(description)</i>			

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7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options <i>(description and conversion factor)</i>	1,319,075,939	1,319,075,939	<i>Exercise price</i> 2 cents	<i>Expiry date</i> 31 January 2015
7.8	Converted to listed during the quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	Debentures <i>(totals only)</i>				
7.12	Unsecured notes <i>(totals only)</i>				

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:  Date: 31 July 2014
(Joint Company secretary)

Print name: HAMISH CARNACHAN

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.

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- 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 or petroleum 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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Summary of tenement holdings and movements and their location:

Tenement Reference	Tenement	Location	Interest at beginning of quarter	Acquired/ Disposed	Interest at end of quarter
P37/6426, P37/6427, P37/6428, P37/6431, E38/2033	Pig Well	Leonora, WA	Royalty ¹	N/A	Royalty ¹
E38/2033, E38/2034, P38/3726 – P37/3731, P37/3732 – P38/3738	Mt Ida	Laverton, WA	Royalty ²	N/A	Royalty ²
E77/1038, E77/1155, E77/1387 - E77/1389, P77/3670 – P77/3674, P77/3676 – P77/3677	Johnston Range Iron Ore Gold and Base Metals	Yilgarn, WA	Royalty ³	N/A	Royalty ³
ML47311, ML47365, ML47533, ML48735, ML51681, ML51682, UTU75547, UTU75751, UTU75752, UTU75753, UTU75756, UTU75761, UTU75762, UTU76326, UTU76510, UTU82583, UTU82584, UTU84159	Golden Eagle Oil & Gas JV	Utah, USA	100% ⁴	N/A	100% ⁴
1946	Povorotnoye Joint Activity	Ukraine	61.2% ⁵	N/A	61.2% ⁵

Notes:

1. Pig Well Sale and Royalty agreement signed April 29 2005. Aleator Energy retains 1% net royalty
2. Deed of assignment and assumption signed 30th July 2012. GSR retains 50c per tonne royalty
3. Aleator Energy sold all of its interests in Johnson Range to Cliffs Asia Pacific. GSR retains a 2% royalty
4. Aleator Energy has earned 100% working interest. Partners retain a right to back-in to 16.7% working interest.
5. Aleator Energy has an 85% interest in East Crimea Energy B.V. (Transeuro 15%). East Crimea Energy B.V. has a 100% interest in Pivdenspetsbud LLC which will receive 72% of profit distribution from the Povorotnoye Field Joint Activity with Nadra Krimu before reimbursement of costs. Subsequent to reimbursement of costs the profit distribution reverts to 60% of Joint Activity profits.

Summary of farm-in or Farm-out arrangements

Tenement	Tenement Reference	Location	Interest at beginning of quarter	Acquired/ Disposed	Interest at end of quarter
None	N/A	N/A	N/A	N/A	N/A

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