

# Q3

2014 Activities Report



## Quarterly Report

For the period ending 30 September 2014

### HIGHLIGHTS

- ◆ On 4 August 2014 Nido's Board recommended an off-market takeover offer by BCP Energy International Pte Ltd ('BCPE') to acquire all of the shares in Nido at an offer price of 5.5 AUS cents per share
- ◆ On 16 September 2014 BCPE announced that the takeover offer was free of conditions and that it had reached a controlling position in Nido
- ◆ Subsequent to Quarter end on 3 October 2014 the takeover offer closed with BCPE having reached an 81.41% relevant interest in Nido
- ◆ The Baragatan-1A well in SC 63 was commercially unsuccessful and was plugged and abandoned
- ◆ Nido's net production from the Galoc oil field and Nido/Matinloc oil fields during the quarter was 163,768 bbls and 8,970 bbls respectively
- ◆ Nido's net share of proceeds from production from the Galoc and Nido/Matinloc oil fields totalled A\$19.7 million

I provide to you the following summary of the Company's activities for Q3, 2014.

At a corporate level, the negotiation and finalisation of the BCPE off-market takeover offer and transaction was the Company's key focus for the quarter. The Board unanimously recommended the 5.5 AUS cent cash offer on the basis that the offer price represented a substantial premium to recent trading in Nido shares.

BCPE's offer closed on 3 October 2014 with BCPE having reached an 81.41% Relevant Interest in Nido. Following BCPE acquiring control, Mr Chaiwat Kovavisarach and Mr Vichien Usanachote were appointed to the Board and Dr Michael Ollis and Mr Eduardo Mañalac retired as Directors of the Company.

At an operational level the Baragatan-1A well in SC 63 was plugged and abandoned during the quarter with the well having failed to encounter a commercial quantity of hydrocarbons in the main reservoir objectives. Whilst disappointed with the result our overall net financial exposure was minimised through the farm-out agreement with Dragon Oil Plc.

In relation to the West Linapacan A re-development the Joint Venture continued to consider the phased development solution for the project.

The Company has continued discussions with its banks in

order to up-scale its available debt capacity to partly fund the West Linapacan A re-development (in addition to revenue from the Galoc oil field).

During the quarter, the Company continued to evaluate new exploration, development and production opportunities in the region. In the context of BCPE acquiring control of Nido and given the newly constituted Board, the Company is in the process of conducting a strategic review.

In Q4, 2014 the Company will be drilling the Gobi-1 prospect in the Gurita PSC, offshore Indonesia with the mobilisation of the Hakuryu 11 jack up rig having commenced in early October. The Company currently has a 10% working interest in the Gurita PSC but has the right to increase its working interest up to 20%.

A handwritten signature in blue ink, appearing to read 'Philip Byrne'.

**PHILIP BYRNE**  
**MANAGING DIRECTOR AND CEO**

**FINANCIAL AND CORPORATE**
**FINANCIAL AND CORPORATE**

Nido ended the quarter with cash on hand of A\$23.6 million\*.

Net Debt reduced by A\$1.6 million to a total of A\$17.2 million during the quarter.

**Inflows**

Galoc production was steady and cash inflows from crude oil sales totalled A\$19.7 million with receipts from 2 cargos as well as cash inflows from the Nido/Matinloc oil fields.

During the quarter, Nido received a credit of approximately A\$1.3 million relating to Galoc Phase 2 Development costs from the Galoc Joint Venture.

**Outflows**

Cash outflows from production operations at the Galoc oil field and the Nido/Matinloc oil fields amounted to A\$6.1 million.

Cash outflows for exploration activities of A\$4.3 million relate mainly to activities in the Baronang, Gurita and Cakalang PSCs in Indonesia, SC 63 (Baragatan-1A drilling activities) and SC 14C2 (West Linapacan).

Cash outflow of A\$0.3 million related to the farm-in of Nido's 10% working interest in SC63 to PNOEC during the quarter.

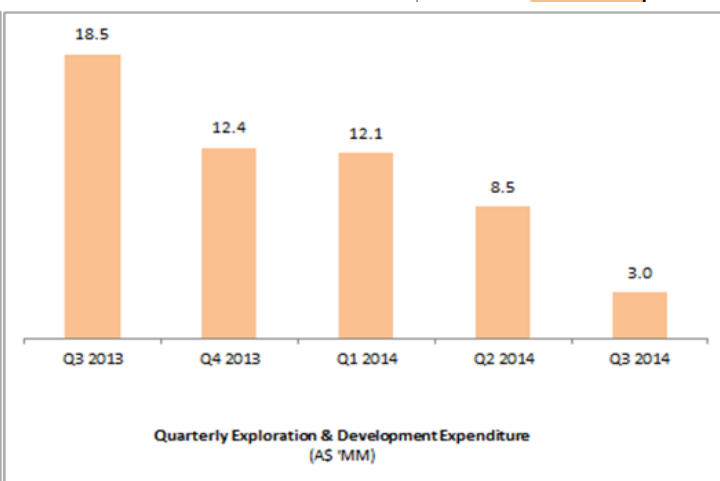
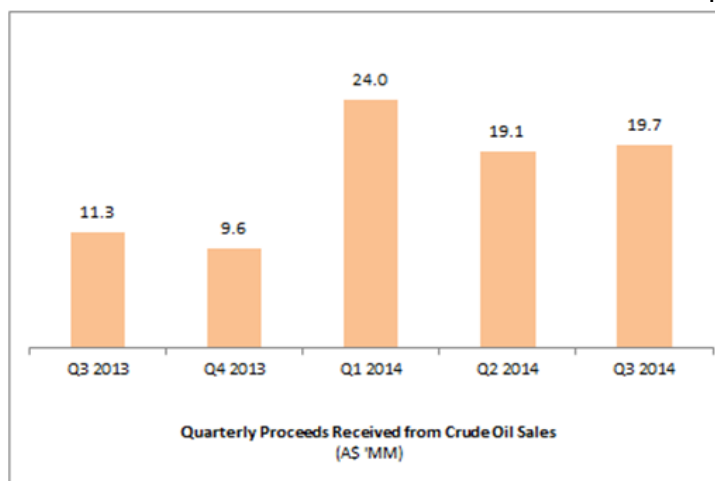
Payment of principal, interest and other financing costs of A\$3.7 million relates to the senior secured debt facility for the Galoc Phase II development project.

General administration expenditure for this quarter increased by approximately A\$1.5 million to A\$3.0 million primarily due to costs associated with the takeover offer by BCP Energy International Pte Ltd ('BCPE') to acquire all of the shares in Nido.

Foreign exchange & other movements for the quarter totalled A\$1.6 million.

\* Cash on hand includes AUD\$13.7 million in funds held in accounts with Credit Suisse. Usage of these funds is governed by the terms and conditions of the senior secured facility agreement.

<b>PRODUCTION SUMMARY</b>	<b>Qtr 3 2014</b>	<b>Year-to-date 2014</b>	<b>Previous Qtr Q2 2014</b>
<b>Volumes - Lifted &amp; Sold (stb)</b>			
<b>Service Contract 14:</b>			
Galoc oil field (net to Nido)	151,719	570,266	221,900
Nido & Matinloc oil fields (net to Nido) *	6,536	22,520	10,056
<b>TOTAL VOLUMES LIFTED &amp; SOLD</b>	<b>158,255</b>	<b>592,786</b>	<b>231,956</b>
<b>FINANCIAL SUMMARY</b>			
<b>Cash Inflows - A\$ '000</b>			
Receipts from sale of crude oil	19,658	62,785	19,100
Interest & other	2	10	5
Proceeds from debt facility	0	-	-
Net proceeds from farm-out	(322)	1,970	2,292
<b>TOTAL CASH INFLOWS</b>	<b>19,338</b>	<b>64,765</b>	<b>21,397</b>
<b>Cash Outflows - A\$ '000</b>			
Exploration expenditure	(4,313)	(21,660)	(8,543)
Development expenditure	1,299	(1,954)	0
Production OPEX	(6,136)	(20,650)	(7,989)
Income taxes	0	(503)	(503)
Repayment of borrowings & financing costs	(3,694)	(15,581)	(7,999)
General & administration	(3,018)	(6,464)	(1,496)
Foreign exchange movement & other movements	1,655	276	(450)
<b>TOTAL CASH OUTFLOWS</b>	<b>(14,207)</b>	<b>(66,536)</b>	<b>(26,980)</b>
<b>Cash Position - A\$ '000</b>			
Cash on Hand	23,583	23,583	18,452
Debt - Secured Debt Facility	(17,242)	(17,242)	(18,830)
<b>NET CASH / (DEBT)</b>	<b>6,341</b>	<b>6,341</b>	<b>(378)</b>
<small>* Nido and Matinloc figures are subject to change based on the latest lifting/production volume adjustment from the operator</small>			



## PRODUCTION AND DEVELOPMENT—Philippines

### SERVICE CONTRACT 14C1 - GALOC OIL FIELD

Location:	Palawan Basin, Philippines		
Area:	16,000 hectares	Operator:	GPC
Nido's Interest:	22.88%	Activity:	Galoc Production

Gross Production from the Galoc oil field during the quarter was 715,783 bbls (163,768 bbls net to Nido) with a gross average production rate of 7,780 bopd (1,780 bopd net to Nido).

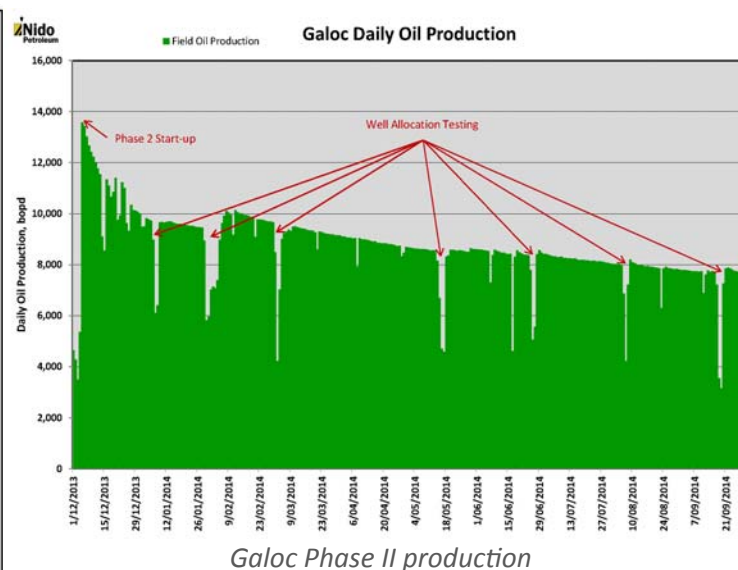
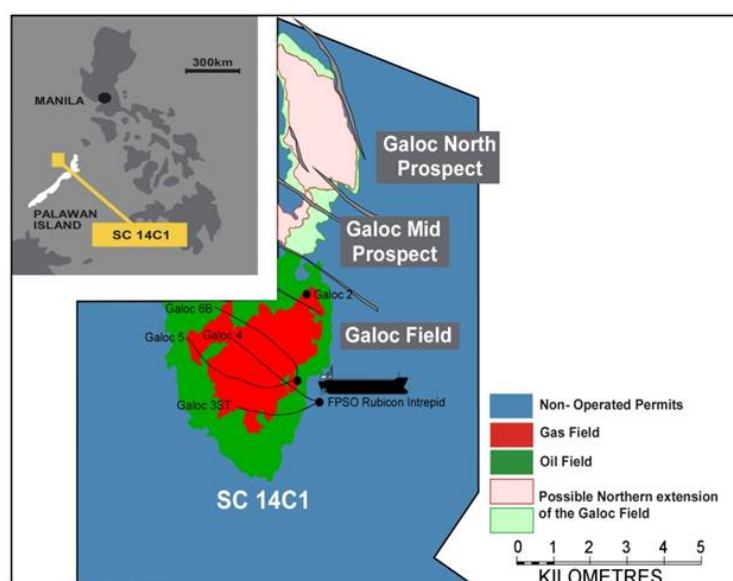
Cargo 40 was lifted on 6 August 2014 with 339,484 bbls (77,672 bbls net to Nido) sold at US\$106.83 per bbl. Cargo 41 was lifted on 17 September 2014 with 323,639 bbls (74,047 bbls net to Nido) sold at US\$97.27 per bbl.

The Galoc Joint Venture is also continuing to evaluate further exploration, appraisal and incremental development opportunities at the Galoc oil field and in the SC 14C1 Contract Area.

The Operator has stated that before the end of 2014 or in early 2015 a recommendation is anticipated regarding further activities to

unlock the upside potential of the Galoc mid Field Area and/or to undertake additional drilling and infill activities.

There are however no firm proposals currently before the Joint Venture to drill an additional exploration well.



Galoc field



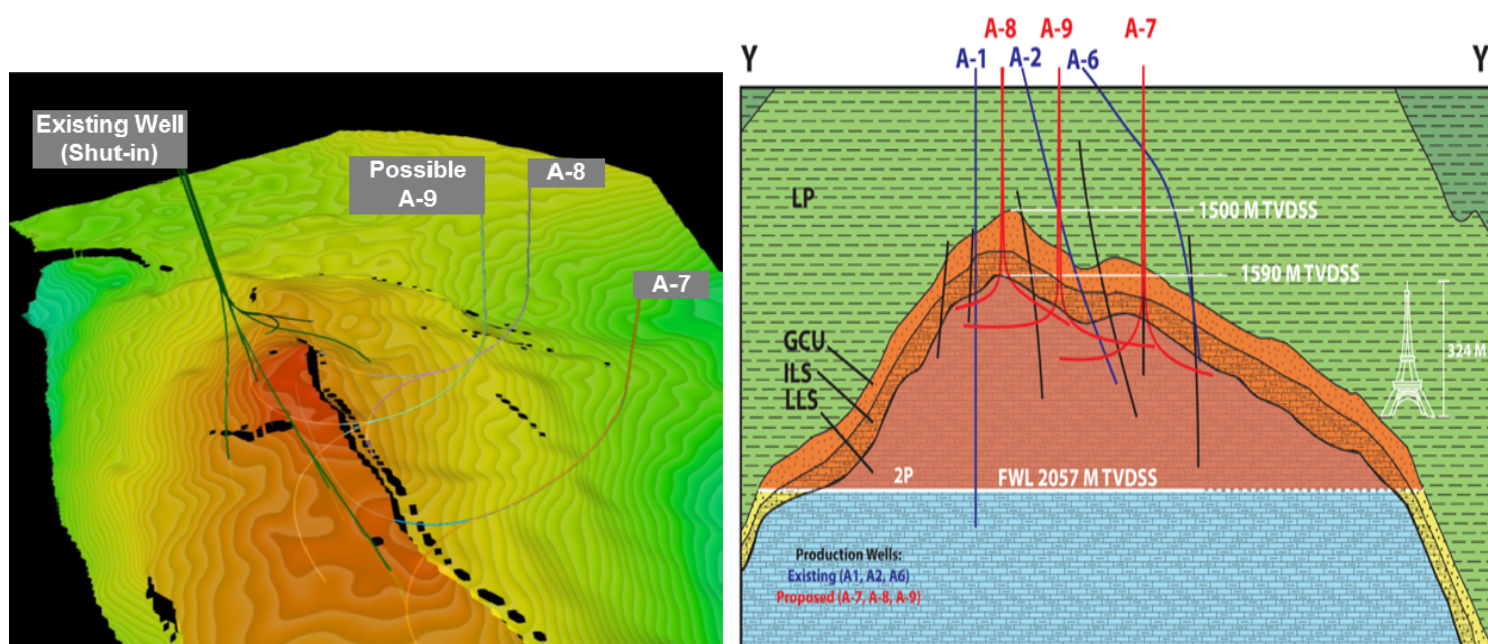


**PRODUCTION AND DEVELOPMENT—Philippines****SERVICE CONTRACT 14C2 - WEST LINAPACAN A**

Location:	Palawan Basin, Philippines		
Area:	18,000 hectares	Operator:	RMA (West Linapacan) Pte Limited
Nido's Interest:	22.28%	Activity:	Re-development of the West Linapacan 'A' field

During the quarter the Joint Venture continued to assess a phased development solution for the re-development project including an expandable Early Production System (EPS) through a drilling rig and offtake tanker.

Discussions are ongoing with the Operator regarding the timing of any FID decision for the West Linapacan A re-development project. The Company is continuing discussions with its banks in order to up-scale its available debt capacity to partly fund a West Linapacan A re-development (in addition to revenue from the Galoc oil field).

**SERVICE CONTRACT 14A & 14B - NIDO & MATINLOC OIL FIELDS**

Location:	Palawan Basin, Philippines		
Area:	68,000 hectares	Operator:	Philodrill
Nido's Interest:	Block A 22.49% Block B 28.28%	Activity:	Production

The Nido and Matinloc oil fields continued to produce oil on a cyclical basis during the quarter. Oil production from these fields totalled 35,772 bbls (8,970 bbls net to Nido). A total of 25,836 bbls (6,536 bbls net to Nido) was lifted and sold during the quarter, with proceeds from sales of approximately A\$1.0 million received.

## EXPLORATION AND APPRAISAL— Philippines

### SERVICE CONTRACT 63 - BARAGATAN PROSPECT

Location:	Palawan Basin, Philippines		
Area:	1,067,000 hectares	Operator:	PNOC-EC*
Nido's Interest:	20%** (Subject to DOE Approval)	Activity:	Evaluating Baragatan exploration well results

The UMW Naga 5 jack-up rig mobilised in May 2014 to the Baragatan location. Following the encountering of an unstable geological zone during the drilling of the 36" top hole section at the Baragatan-1 well location the Joint Venture decided to re-spud the well at an alternate location (Baragatan –1A).

The primary Pagasa Formation reservoir objective was encountered between 2,534—2,654 meters Measured Depth (2,209—2,305 meters TVD sub-sea) comprising primarily of limestones of poor to good reservoir quality with minor sandstones and siltstones. Preliminary Logging Whilst Drilling (LWD) log data recorded through this interval indicated the reservoir to contain low gas saturations (C1 to C5) which did not warrant further evaluation or testing.

Two zones of potential interest were also encountered in the shallower Pagasa Formation and the preliminary evaluation of available LWD data indicated the sandstones encountered within the gross interval 1,977-2,044 meters Measured Depth (1,785—1,805 meters TVD sub-sea) are potentially gas-bearing and the limestone encountered over the gross interval 2,207 meters Measured Depth (1,960—1,982 meters TVD sub-sea) contain low gas saturations. The well was plugged and abandoned on 14 July 2014.

The preliminary results of the Baragatan-1A well have confirmed the presence of an active petroleum system in this part of SC 63. This is encouraging news for the remaining prospectivity identified in the block and the technical information from the well will be further analysed and integrated into the subsurface geological models during the last quarter of 2014.

*\*\* 10% interest from PNOC-EC remains conditional upon Philippines' Government approval.*

*\* PNOC-EC agreed to transfer Technical Operatorship to Nido for the duration of the drilling of the commitment well.*

**EXPLORATION AND APPRAISAL—Philippines**
**SERVICE CONTRACT 54A**

Location:	Palawan Basin, Philippines		
Area:	88,000 hectares	Operator:	Nido
Nido's Interest:	42.4%	Opportunity:	Multiple small field development opportunities

During the quarter the Company was granted a 3 year moratorium with respect to Service Contract 54. The moratorium period extends from 5 August 2014 to 5 August 2017 and provides both the Block A and Block B Joint Joint Ventures sufficient time to study the presently sub-commercial areas and other areas of interest within these Blocks.

**SERVICE CONTRACT 54B**

Location:	Palawan Basin, Philippines		
Area:	316,000 hectares	Operator:	Nido
Nido's Interest:	60%	Opportunity:	Pawikan lead (exploration)

No further technical work was undertaken during the quarter. As noted above the Company was granted a 3 year moratorium with respect to Service Contract 54 and this provides the Block B Joint Venture time to study presently sub-commercial areas and other areas of interest.

**SERVICE CONTRACT 58**

Location:	Palawan Basin, Philippines		
Area:	1,349,000 hectares	Operator:	Nido*
Nido's Interest:	50% (Subject to completing farm-in obligation)	Opportunity:	Multiple prospects (exploration)

\* Technical Operator during Farm-in. Nido interest subject to completion of drilling farm-in commitment well.

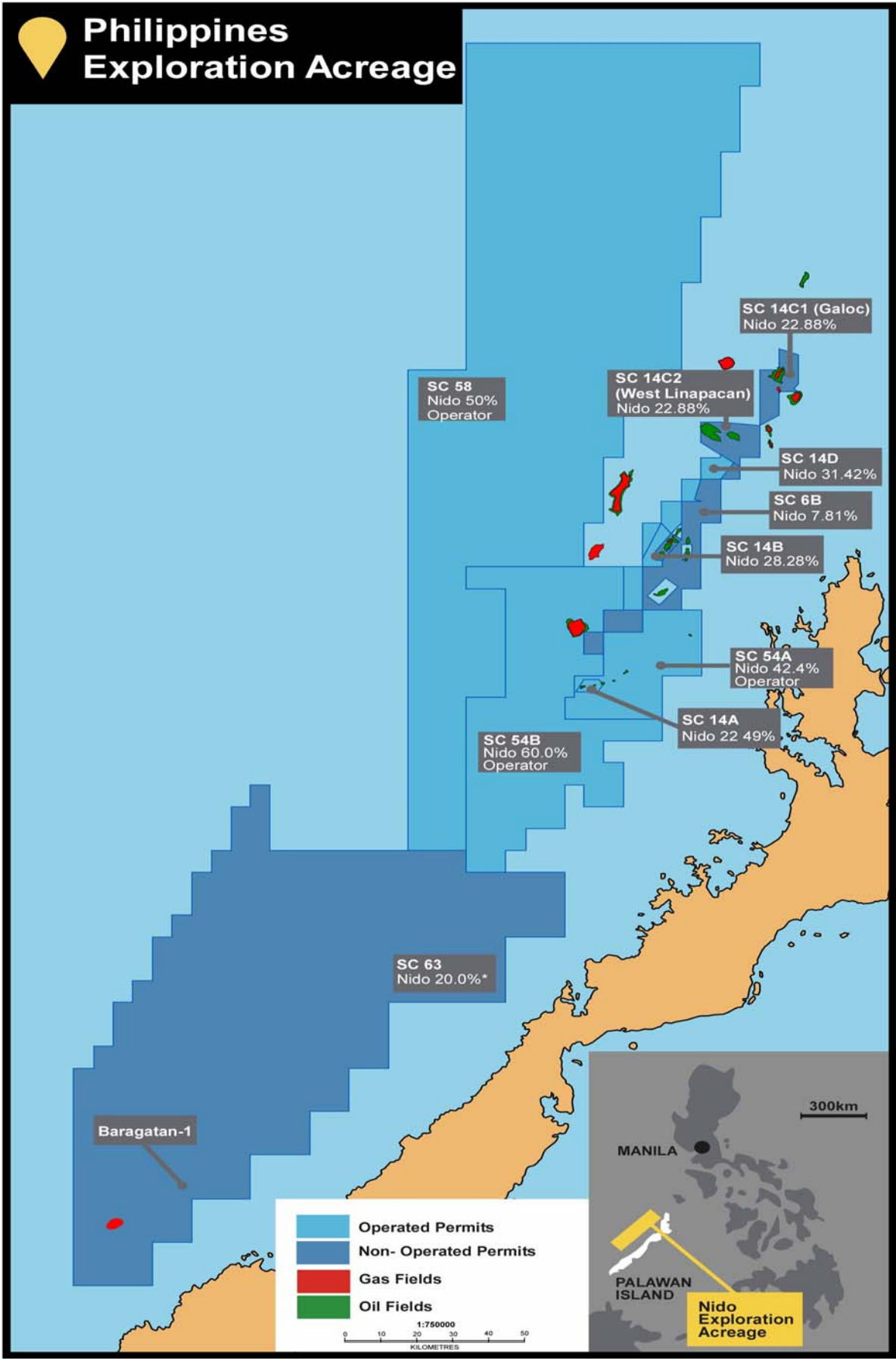
During the quarter the Company secured an extension of the election to drill decision required under the Company's farm-out agreement with PNOEC. The Company now has until 12 January 2015 to make this election. Sub-Phase 3 of Service Contract 58 expires on 19 July 2015.

**SERVICE CONTRACT 6B - BONITA**

Location:	Palawan Basin, Philippines		
Area:	55,000 hectares	Operator:	Philodrill
Nido's Interest:	7.81%	Opportunity:	Exploration

The block contains the East Cadlao prospect, a possible extension of the Cadlao oil field, located in the adjacent SC 6 block (which Nido is not a participant in). The SC 6B Joint Venture has agreed to undertake a work program which will include a re-interpretation of the existing seismic data within the block. The review is ongoing and the results of the review are expected to provide an assessment of the resource potential which could lead to further activity depending on the relevant findings.

EXPLORATION AND APPRAISAL — Philippines



\* 10% remains subject to DOE approval

**EXPLORATION AND APPRAISAL — Indonesia**
**BARONANG PRODUCTION SHARING CONTRACT**

Location:	West Natuna Basin, Indonesia		
Area:	282,500 hectares	Operator:	Lundin Petroleum
Nido's Interest:	10.00% (15%*)	Action:	Evaluating Balqis and Boni wells

Lundin Baronang BV (Lundin) has indicated that it intends to withdraw from the Baronang PSC at the expiration of the current work period which expires on 13 November 2014. Following a technical and commercial review of the Baronang PSC Nido intends to retain the PSC on a 100% basis and is in discussions with the Indonesian authorities in order to progress the transfer of operatorship from Lundin to Nido.

*\*Nido exercised its right to acquire an additional 5% working interest but this transfer of interest is yet to receive regulatory approval.*

**CAKALANG PRODUCTION SHARING CONTRACT**

Location:	West Natuna Basin, Indonesia		
Area:	337,200 hectares	Operator:	Lundin Petroleum
Nido's Interest:	10.00%	Opportunity:	Multiple prospects (exploration)

Lundin Cakalang BV (Lundin) has indicated that it intends to withdraw from the Cakalang PSC at the expiration of the current work period which expires on 13 November 2014. Following a technical and commercial review of the Cakalang PSC, Nido intends to retain the PSC on a 100% basis and is in discussions with the Indonesian authorities in order to progress the transfer of operatorship from Lundin to Nido.

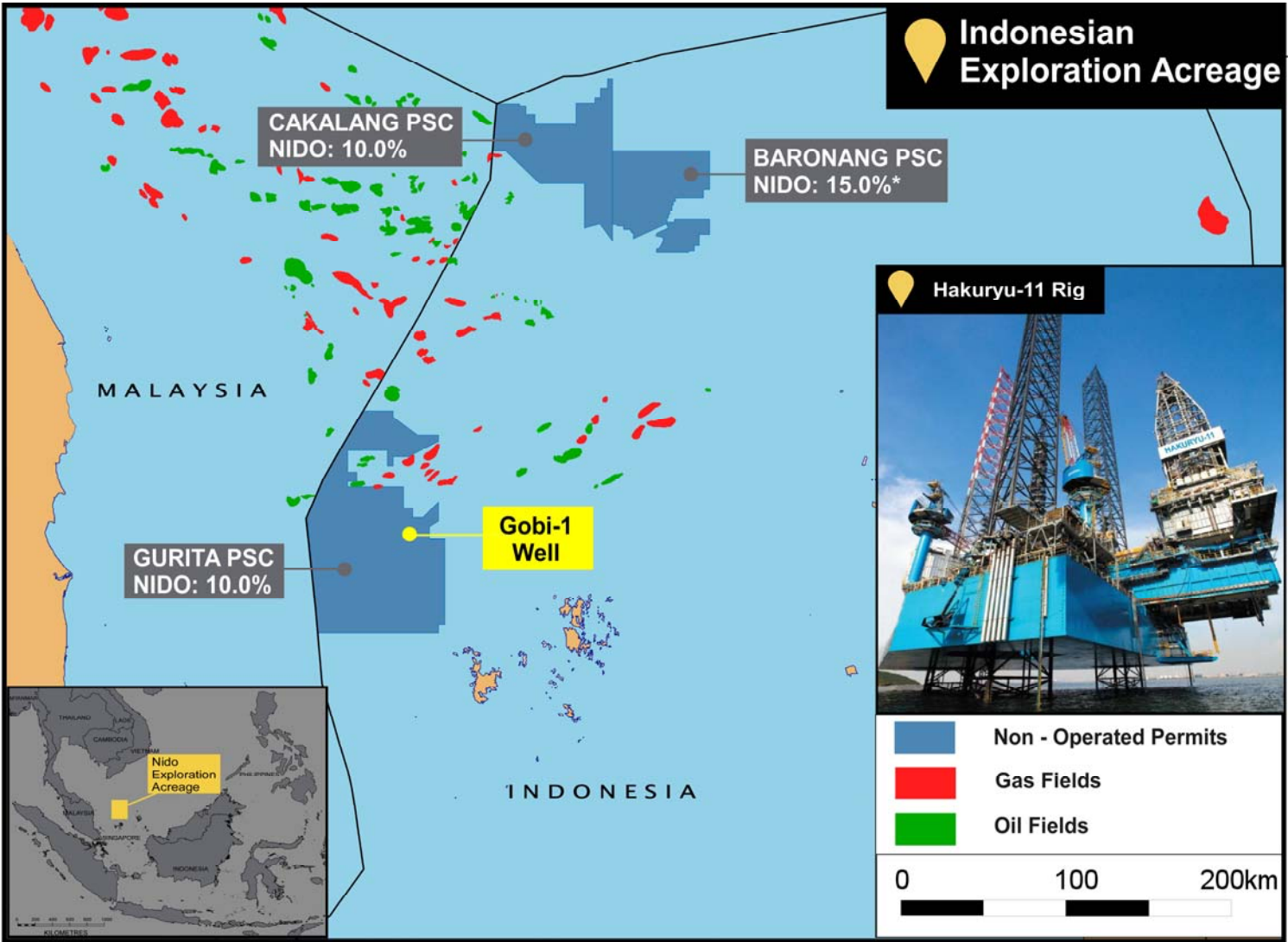
**GURITA PRODUCTION SHARING CONTRACT**

Location:	Penyu Sub-Basin, Indonesia		
Area:	801,800 hectares	Operator:	Lundin Petroleum
Nido's Interest:	10.00%	Action:	Drilling Gobi-1 Well

The Gurita PSC, located in shallow water depths of 80m or less, has a number of major oil and gas discoveries adjacent to it such as the Belida Field to the north east which had ~350MMbbl reserves and reached peak production of around 140,000bopd. The Hakuryu 11 jack-up rig commenced drilling the Gobi-1 well in mid-October 2014. Nido retains the right to increase its working interest to a maximum of 20% but is yet to make a decision as to whether it will exercise this right or not.



**EXPLORATION AND APPRAISAL — Indonesia**



\* 5% remains subject to Government regulatory approvals

# Appendix 5B

## Mining 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

Name of entity

NIDO PETROLEUM LIMITED

ABN

65 086 630 373

Quarter ended ("current quarter")

30 September 2014

### Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (9 months ending 30 September 2014) \$A'000
1.1	Receipts from product sales and related debtors	19,658	62,785
1.2	Payments for (a) exploration & evaluation	(4,313)	(21,660)
	(b) development	1,299	(1,954)
	(c) production	(6,136)	(20,650)
	(d) administration*	(3,018)	(6,464)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	2	10
1.5	Interest and other costs of finance paid	(421)	(1,597)
1.6	Income taxes paid	-	(503)
1.7(a)	Other - insurance proceeds	-	-
<b>Net Operating Cash Flows</b>		<b>7,071</b>	<b>9,967</b>
<b>Cash flows related to investing activities</b>			
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	(5)	(28)
1.9	Net Proceeds from sale of: (a) prospects	(322)	1,970
	(b) equity investments	-	-
	(c) other fixed assets	-	1
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
		(327)	1,943
<b>Net investing cash flows</b>			
1.13	Total operating and investing cash flows (carried forward)	6,744	11,910

\*General administration expenditure for this quarter increased by approximately A\$1.5 million to A\$3.0 million primarily due to costs associated with the takeover offer by BCP Energy International Pte Ltd ('BCPE') to acquire all of the shares in Nido.

**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	6,744	11,910
<b>Cash flows related to financing activities</b>			
1.14	Proceeds from issues of shares, options, etc (net of costs).	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17(a)	Repayment of borrowings	(3,086)	(13,615)
1.17(b)	Payment for financing costs	(187)	(369)
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	<b>Net financing cash flows</b>	<b>(3,273)</b>	<b>(13,984)</b>
	<b>Net increase (decrease) in cash held</b>	<b>3,471</b>	<b>(2,074)</b>
1.20	Cash at beginning of quarter/year to date	18,452	25,354
1.21	Exchange rate adjustments to item 1.20	1,660	303
1.22	<b>Cash at end of quarter</b>	<b>23,583</b>	<b>23,583</b>

**Payments to directors of the entity and associates of the directors**  
**Payments to 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	190
1.24	Aggregate amount of loans to the parties included in item 1.10	Nil
1.25	Explanation necessary for an understanding of the transactions Represents fees paid to Directors, including the Managing Director salary.	

**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

## 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		
	17,242	17,242
3.2 Credit standby arrangements		

\*Relates to the amount available and actual debt drawn under the Secured Debt Facility, which at 30 September 2014 was USD\$15.0 million (AUD \$17.2 million). The exchange rate used to convert the USD debt to AUD was 0.8725 at 30 September 2014.

## Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation*	(7,642)
4.2 Development	-
4.3 Production	(8,940)
4.4 Administration	(1,427)
<b>Total</b>	<b>(18,009)</b>

\* Cash outflows relate predominantly to the drilling of the Gobi-1 exploration well in Indonesia and the West Linapacan A redevelopment in the Philippines.

\*\* Forecast cash inflows for the fourth quarter of 2014 include revenues from 2 liftings from the Galoc oil field.

## 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*	23,527	18,396
5.2 Deposits at call	56	56
5.3 Bank overdraft		
5.4 Other (provide details)		
<b>Total: cash at end of quarter (item 1.22)</b>	<b>23,583</b>	<b>18,452</b>

\*Cash on hand includes AUD \$13.7 million in funds held in accounts with Credit Suisse. Usage of these funds is governed by the terms and conditions of the senior secured facility agreement.



**Appendix 5B**  
**Mining exploration entity quarterly report**  
**Changes in interests in mining tenements**

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased			-

**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>	2,188,266,468	2,188,266,468	-	Fully paid
7.4 Changes during quarter (a) Increases through issues  (b) Decreases through returns of capital, buy-backs	Issue of 138,282,166 ordinary shares issued pursuant to the vesting of Employee Performance Rights	138,282,166	Nil	Fully Paid
7.5 <b>*Convertible debt securities</b> (description)	-	-	-	-

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	-	-	-	-
-----	---	---	---	---	---

---

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

7.7	<b>Options</b> (description and conversion factor)			<i>Exercise price</i>	<i>Expiry date</i>
	<b>Future Grant of Shares</b> (sign-on and retention bonus rights to ordinary shares pursuant to the employment contract between Mr Byrne and the Company.	Nil	Nil	Nil	On 15 September 2014 the final tranche of sign-on and retention rights to ordinary shares pursuant to Mr Byrne's employment contract were cancelled.
	<b>Performance Rights</b> (performance rights issued pursuant to the terms of the Long Term Incentive Policy and Employee Performance Rights Plan)	Nil	Nil	Nil	Nil
	<b>Managing Director Performance Rights</b> (performance rights issued to the Managing Director with Shareholder approval – same terms and conditions as Employee Performance Rights Plan)	Nil	Nil	Nil	Nil
7.8	Issued during quarter	Nil	Nil	Nil	Nil

---

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

7.9	Exercised during quarter				
	<b>Performance Rights</b> (performance rights issued pursuant to the terms of the Long Term Incentive Policy and Employee Performance Rights Plan)	93,612,483	Nil	Nil	Employee Participation Rights vested to employees in accordance with the terms and conditions of the Nido Petroleum Limited Employee Performance Rights Plan (as approved on 15 March 2010) and the Nido Petroleum Limited Employee Performance Rights Plan (with 2013 amendments and as approved on 12 April 2013).
	<b>Managing Director Performance Rights</b> (performance rights issued to the Managing Director with Shareholder approval – same terms and conditions as Employee Performance Rights Plan)	44,669,683	Nil	Nil	Managing Director Performance Rights vested to Mr P Byrne in accordance with the terms and conditions of the Nido Petroleum Limited Performance Rights Plan (with 2013 amendments and as approved on 12 April 2013).

+ See chapter 19 for defined terms.



## Appendix 5B

### Mining exploration entity quarterly report

7.10	Expired during quarter				
	<b>Future Grant of Shares</b> (sign-on and retention bonus rights to ordinary shares pursuant to the employment contract between Mr Byrne and the Company.	1,666,665	Nil	Nil	On 15 September 2014 the final tranche of sign-on and retention rights to ordinary shares pursuant to Mr Byrne's employment contract were cancelled. -
7.11	<b>Debentures</b> (totals only)				
7.12	<b>Unsecured notes</b> (totals only)				

---

+ See chapter 19 for defined terms.

## 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: 17 October 2014

John Newman  
(Company secretary)

## 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 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.

== == == == ==