



ABN 90 147 370 312

31 DECEMBER 2017 QUARTERLY REPORT

Black Star Petroleum Limited ("BSP" or the "Company") is pleased to present the December 2017 quarterly report.

Activities/Corporate

BSP currently holds leases under the Nebraska Oil Project covering 1,093.2 acres under its subsidiary, Constellation Resources LLC. The Board is still considering its options with the Nebraska Oil Project as well as considering other various recapitalisation strategies and opportunities.

Finance

During the quarter, BSP drew down another \$10,000 from the \$500,000 unsecured loan facility with Mr Chin Han Tan, a Sydney based investor ("Lender"). As at 31 December 2017, a total of \$464,000 has been drawn down.

Chin Han Tan

Chairman

31 January 2018

Appendix 1 - Interest on Leases Held

Tenure Reference	Location	Interest at beginning of quarter	Interest at end of quarter	Acquired during the quarter	Disposed of during the quarter
Nebraska Oil Project: 3 leases totalling approximately 1,093.2 acres held in Constellation Resources LLC	Banner County, Nebraska, USA			-	-
18/56 - 1		73.07%	73.07%		
18/55 - 11		73.07%	-		73.07%
18/55 - 11		73.07%	-		73.07%
18/55 - 17		73.07%	-		73.07%
18/56 - 6		73.07%	73.07%		
19/54 - 27		73.07%	-		73.07%
19/54 - 32		73.07%	-		73.07%
19/55 - 17, 29 & 32		73.07%	-		73.07%
19/55 - 26 & 35		73.07%	-		73.07%
19/55 - 33		73.07%	73.07%		
19/55 - 34		73.07%	-		73.07%
19/55 - 34		73.07%	-		73.07%

Appendix 2 – Summary of Expenditure Incurred Per Project

Project	\$'000
Nebraska Oil Project:	-
Total	-

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, 01/05/13, 01/09/16

Name of entity

BLACK STAR PETROLEUM LIMITED

ABN

90 147 370 312

Quarter ended ("current quarter")

31 DECEMBER 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	-	-
(e) administration and corporate costs	(10)	(66)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(10)	(66)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	10	65
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	10	65

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	8	9
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(10)	(66)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	10	65
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	8	8

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	8	8
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	8	8

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter \$A'000
-
-

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter \$A'000
-
-

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	500	464
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

On 11 May 2016, the Company announced it had entered into a 12 month unsecured loan facility with Mr. Chin Han Tan of \$500,000.

On 28 April 2017, the Company announced Mr. Chin Han Tan had agreed to extend the repayment date of the unsecured loan facility for 12 months to 11 May 2018. The interest rate on the loan agreement is 9.25% per annum.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	-
9.2 Development	-
9.3 Production	-
9.4 Staff costs	-
9.5 Administration and corporate costs	22
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	22*

* Estimated cash outflows for next quarter are higher than the closing cash balance as the Company still has available for drawdown \$36,000 under the loan facility as at 31 December 2017.

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	Nebraska: 18/55 – 11 18/55 – 17 19/54 – 27 19/54 – 32 19/55 – 17 19/55 – 26 19/55 – 29 19/55 – 32 19/55 – 34 19/55 – 35	Relinquished 10 leases totalling approximately 2,660.70 acres	73.07%	-
10.2 Interests in mining tenements and petroleum tenements acquired or increased				

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:
(Director/~~Company Secretary~~)

Date: 31 January 2018

Print name: Chin Han Tan

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 that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, 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. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.