



ABN 90 147 370 312

## 30 JUNE 2018 QUARTERLY REPORT

Black Star Petroleum Limited (“BSP” or the “Company”) is pleased to present its June 2018 quarterly report.

### Activities/Corporate

BSP currently holds one remaining lease under the Nebraska Oil Project under its subsidiary, Constellation Resources LLC.

The Board is actively considering recapitalisation strategies and has reviewed a number of opportunities for the Company during the quarter.

### Finance

During the quarter, BSP drew down another \$12,000 from the A\$500,000 unsecured loan facility with Mr Chin Han Tan, a Sydney based investor (“Lender”). As at 30 June 2018, a total of \$486,000 has been drawn down.

Since the end of the quarter the Lender has agreed to increase the unsecured loan facility to A\$517,000 and extend the repayment date of the unsecured loan facility for 6 months to 11 November 2018 or until the Borrower has sufficient funds from which to repay the loan, whichever is the earlier.

**Chin Han Tan**  
Chairman  
30 July 2018

**Appendix 1 - Interest on Leases Held**

<b>Tenure Reference</b>	<b>Location</b>	<b>Interest at beginning of quarter</b>	<b>Interest at end of quarter</b>	<b>Acquired during the quarter</b>	<b>Disposed of during the quarter</b>
Nebraska Oil Project: 1 lease totalling approximately 333 acres held in Constellation Resources LLC 18/56 - 1	Banner County, Nebraska, USA	73.07%	73.07%		

**Appendix 2 - Summary of Expenditure Incurred Per Project**

<b>Project</b>	<b>\$'000</b>
Nebraska Oil Project:	-
<b>Total</b>	-

## 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")

30 JUNE 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	-	-
(e) administration and corporate costs	(8)	(90)
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)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(8)</b>	<b>(90)</b>

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

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (12 months) \$A'000</b>
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)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>-</b>	<b>-</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
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	12	87
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)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>12</b>	<b>87</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	2	9
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(8)	(90)
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)	12	87
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>6</b>	<b>6</b>

<b>5. Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1 Bank balances	6	2
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>6</b>	<b>2</b>

**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

<b>Current quarter \$A'000</b>
-
-

**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

<b>Current quarter \$A'000</b>
-
-

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

<b>8. Financing facilities available</b> <i>Add notes as necessary for an understanding of the position</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
8.1 Loan facilities	500	486
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.

Since the end of the quarter the Lender has agreed to increase the unsecured loan facility to A\$517,000 and extend the repayment date of the unsecured loan facility for 6 months to 11 November 2018 or until the Company has sufficient funds from which to repay the loan, whichever is the earlier.

<b>9. Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1 Exploration and evaluation	-
9.2 Development	-
9.3 Production	-
9.4 Staff costs	-
9.5 Administration and corporate costs	10
9.6 Other (provide details if material)	-
<b>9.7 Total estimated cash outflows</b>	<b>10*</b>

\* Estimated cash outflows for next quarter are higher than the closing cash balance as the Company still has available for drawdown \$14,000 under the loan facility as at 30 June 2018.

<b>10. Changes in tenements (items 2.1(b) and 2.2(b) above)</b>	<b>Tenement reference and location</b>	<b>Nature of interest</b>	<b>Interest at beginning of quarter</b>	<b>Interest at end of quarter</b>
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
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: 30 July 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.