

26 April 2019

# March 2019 Quarterly Report

## HIGHLIGHTS

### Oil & Gas

- Rey completed purchase from Mitsubishi of interests in petroleum exploration permits EP457 and EP458 in the Canning Basin.
- Formal documentation signed with Doriemus for Farmin - L15 and EP487

### Corporate

- Extension of ASF Loan Facility to \$3.8 million and re-financing

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Rey Resources Limited (ASX: REY) (“Rey” or “the Company”) is focused on developing its oil and gas interests in the Canning and Perth Basins, Western Australia.

## 1. Oil and Gas

### 1.1 Fitzroy Blocks (EP457 and EP458)

The Fitzroy Blocks are located in the Canning Basin in the northwest of Western Australia (refer Figure 1 below). Ownership of the Fitzroy Blocks was previously Rey (via its wholly owned subsidiary Rey Oil and Gas Pty Ltd) (25% including 8.33% free carried to production); Buru Fitzroy Pty Ltd (**Buru Fitzroy**), a wholly owned subsidiary of Buru Energy Limited (ASX: BRU) (37.5% and Operator); and a wholly owned subsidiary of Mitsubishi Corporation, Diamond Resources (Barbwire) Pty Ltd (**DRB**) (37.5%).

On 10 December 2018, Rey advised that, pursuant to a transaction entered into between Buru Fitzroy and DRB, Buru Fitzroy would increase its interests in the Fitzroy Blocks from 37.5% to 60% and that Rey had exercised its pre-emptive rights under the permit joint operating agreements and entered into a parallel agreement with DRB to increase its current interests from 25% to 40%, for a total cash consideration of \$480,000.

On 28 March 2019, Rey announced that both it and Buru Fitzroy had completed the transactions with DRB. Rey (via its wholly owned subsidiary Rey Oil and Gas Pty Ltd) now holds a total 40% participating interest in the two blocks, but only has a 33.336% funding obligation until commercial production. This is due to a Funding Agreement whereby Buru Energy Ltd free carries 6.664% of Rey's 40% participating interest. Buru will continue to be the Operator for future exploration work.

The interests in the Fitzroy Blocks following completion of the abovementioned transactions are:

- Buru 60% (Operator)
- Rey 40%

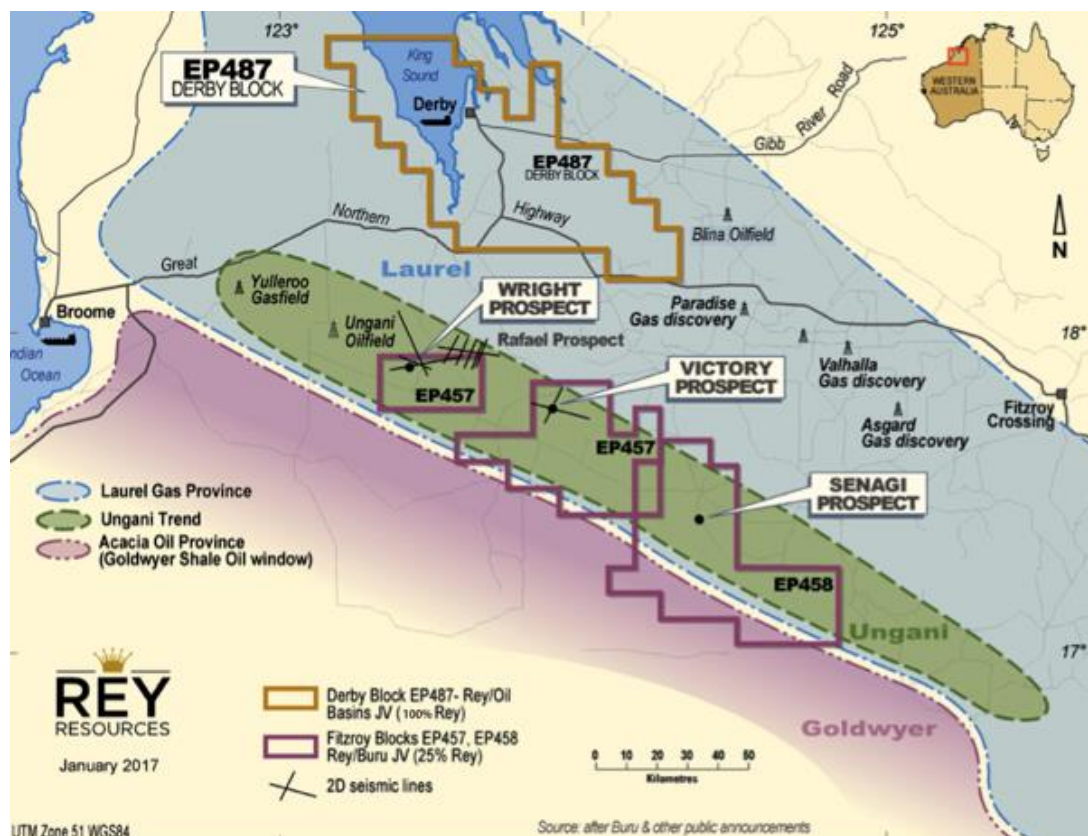


Figure 1: The three major prospective trends relative to Fitzroy Blocks EP457 and EP458 and Derby Block EP487.

The independent scientific inquiry into the hydraulic fracturing (fracking) process was completed and the report from the panel was delivered to the Western Australian Government in September 2018. However, the Government is still considering the potential imposition of new and additional regulations. In light of the uncertainty of the outcome of these deliberations, applications for further 12 month suspensions to the commencement of Year 1 and 12 month extensions to the permit terms of EP 457 and EP 458 were lodged with the regulator (DMIRS) on 7 January 2019 (STP-EPS-0299 and STP-EPS-0300 respectively). These applications were approved on 16 January 2019 and the requirement to complete the acquisition of a magneto-telluric geophysical survey in each permit to fulfil the Year 1 work program obligation has therefore been deferred until March 2021.

A pilot seismic reprocessing program involving several vintages of existing 2D seismic lines within EP 457 was undertaken by the Operator (on behalf of the Joint Venture) during the quarter. The reprocessing improved the quality of the sub-surface image of all vintages of 2D seismic data. Technical work to understand the distribution of Late Devonian and Early Carboniferous carbonate reservoirs was also conducted and a number of anomalous gravity and seismic features that may be interpreted as isolated Late Devonian carbonate build-ups have been noted. In conjunction, these activities provide sufficient encouragement for a larger seismic reprocessing program involving up to several hundred line kilometres of vintage 2D data across both EP 457 and EP 458 will be considered during 2019. The possible acquisition of a new 2D seismic survey may also be considered.

## 1.2 Derby Block (EP487)

The Company currently holds a 100% interest in petroleum exploration permit EP487, the Derby Block, via its 100% owned subsidiaries Rey Lennard Shelf Pty Ltd and Rey Derby Block Pty Ltd.

The Derby Block is considered to be predominantly a Wet Laurel Basin Centred Gas play (**BCG**) which is regionally extensive throughout the Canning Basin (refer Figure 2) and has been the subject of exploration elsewhere in the Canning Basin by other parties in 2015, resulting in encouraging flow tests by Buru at Valhalla and Asgard (refer to various BRU ASX releases including releases dated 20 January 2016 and 18 April 2016).

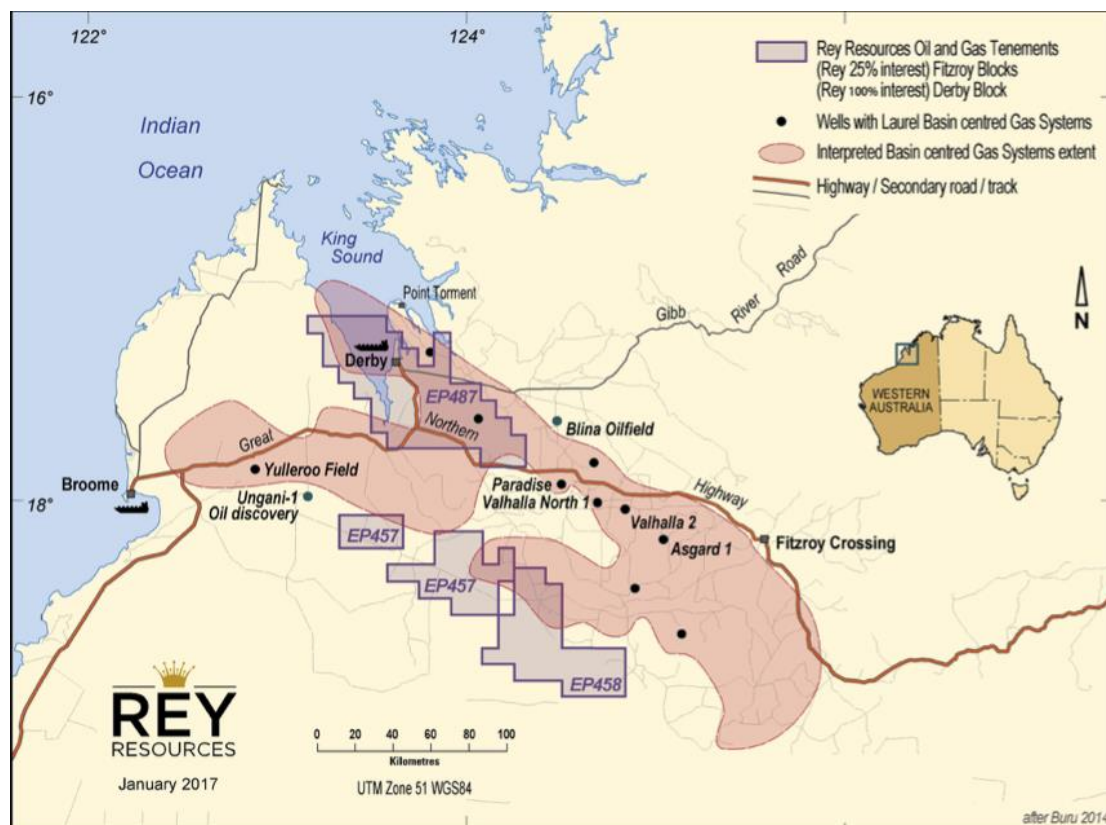


Figure 2: Interpreted extent of the Laurel Basin gas system in relation to Rey's petroleum interests (after Buru and others).

On 20 March 2018, Rey was granted a suspension and extension of the current year commitments for EP487. The one well commitment has been deferred by 12 months to end of 2019.

On 31 December 2018, Rey entered into a binding letter of intent (Agreement) with Doriemus PLC (**Doriemus**) (ASX: DOR) pursuant to which Doriemus, subject to the completion of due diligence and fulfilling certain conditions precedent, agreed to farm in to EP487. On 28 March 2019, Rey announced that definitive documentation (subject to the usual Government approvals), including a binding Farmout Agreement which comprises an agreed form Joint Operating Agreement (**Agreements**) had been executed with Doriemus for EP487. Pursuant to the Agreements, Doriemus is to drill the commitment well on EP487 at its own cost, in an endeavour to confirm the Butler Prospect potential. Subject to Doriemus raising sufficient funds by end of June 2019 and completing the well within 12 months, and subject to government approvals, Doriemus will be assigned 50% of the EP487 permit as well as the Operatorship.

Doriemus may at any time by notice to Rey terminate the farm in and assign back all earned interests to Rey. The farm-in arrangements of EP487 will also be terminated if Doriemus is unable to raise the necessary funds to enable the drilling of the EP487 well within 6 months.

On 11 April 2019 Doriemus and Buru Energy Limited (**Buru**) jointly announced that an independent review of the prospective gas and liquids resources of the Butler prospect, which straddles EP487 and EP129 (100% Buru), undertaken by ERC Equipose Pte Ltd, a globally recognised independent specialist resource assessment consulting group, had confirmed the view that the Butler prospect has the potential to host a very significant gas and liquids accumulation. See Doriemus and Buru joint announcement, as cross released on Rey's ASX platform on 11 April 2019, for full details.

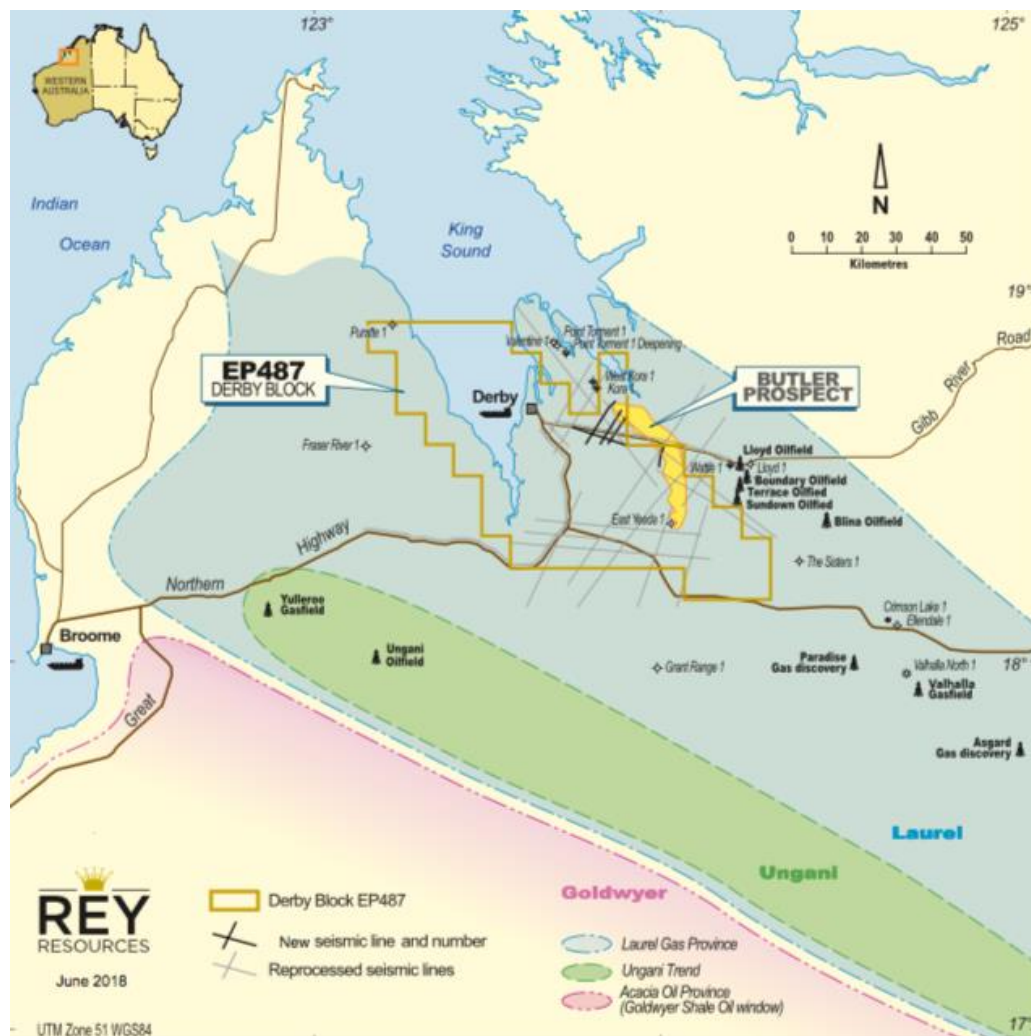


Figure 3: EP487 Location

### 1.3 Lennard Shelf Blocks

#### EP104, R1 and L15

Rey holds a 100% interest in the Lennard Shelf Blocks, comprising EP104, a Retention Lease (R1) and one Production Licence (L15). The Lennard Shelf Blocks are situated to the north of Rey's existing interests in the Canning Basin petroleum exploration licence, EP487 covering a total area of approximately 1,145 km<sup>2</sup> and are considered prospective for conventional oil and tight gas.

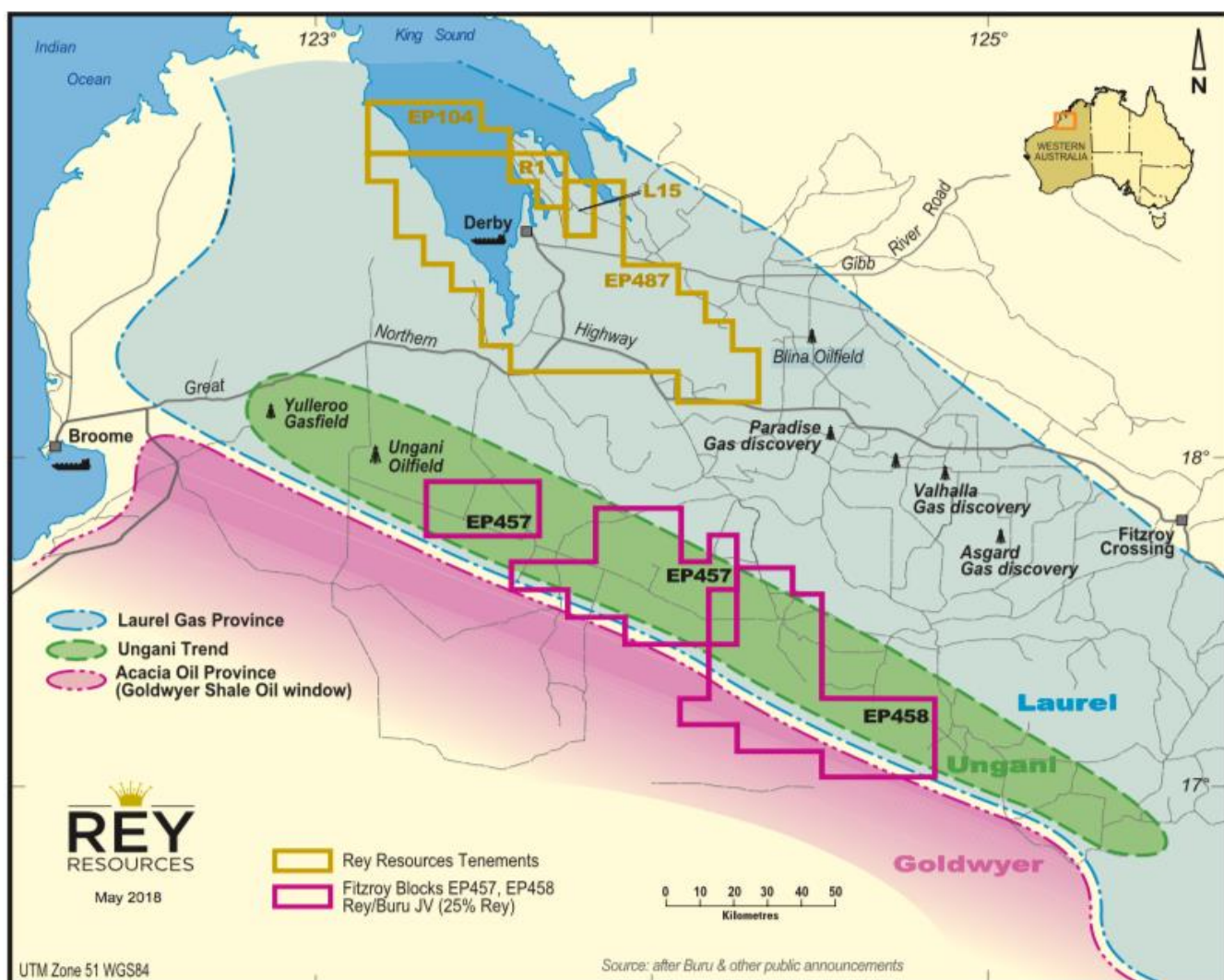


Figure 4: Location of Lennard Shelf Block and Rey's other oil and gas interests in the Canning Basin.

On 31 December 2018, Rey entered into a binding letter of intent with Doriemus plc (Doriemus) (ASX: DOR) pursuant to which Doriemus, subject to the completion of due diligence and fulfilling certain conditions precedent, agreed to farm in to Production Licence 15 (L15).

On 5 March 2019, Rey announced that it had entered into definitive documentation (subject only to the usual Government approvals), including a binding Farmout Agreement which comprises an agreed form Joint Operating Agreement (**Agreements**) with Doriemus for L15. Pursuant to the Agreements, Doriemus is to fund A\$1 million in development work on L15, in an endeavour to bring the West Kora 1 well (which is located within L15) into economic production.

Subject to Doriemus funding the \$1 million field development plan over the next 12 months, Doriemus will be assigned 50% of the L15 permit. On completion, and subject to obtaining government approvals, Doriemus will be appointed the Operator for L15.

### About L15

West Kora 1 is located within L15 (Production Licence) which is located on the Lennard Shelf, onshore Canning Basin, Western Australia. It comprises two graticular blocks covering an area of 163.46 square kilometres. L15 was granted on 1 April 2010 for a period of 21 years.

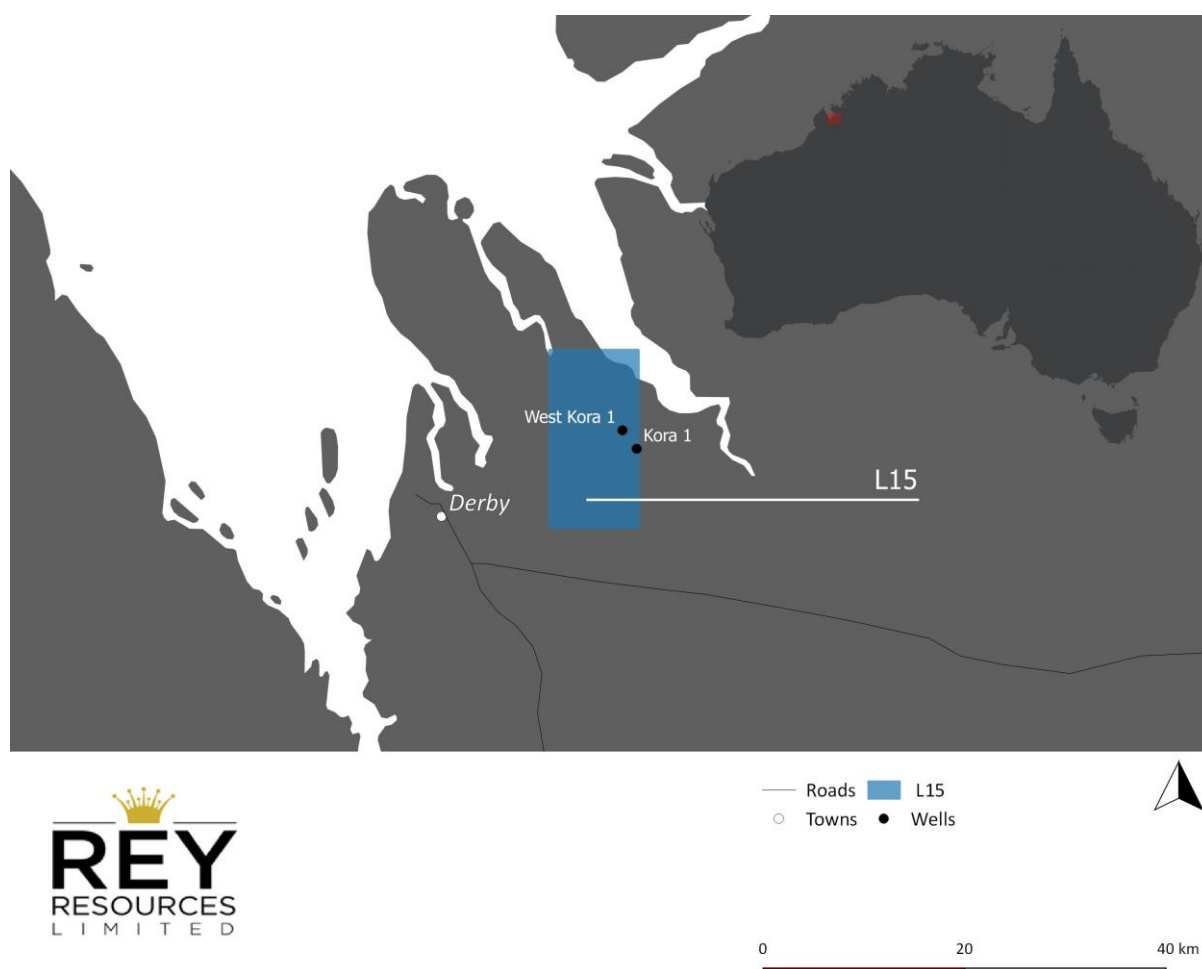


Figure 5: Map of L15 including locations of West Kora 1 Well

### Prospective Remaining Reserves and Resources of West Kora Oilfield in L15

An estimation of oil reserves and contingent oil resource for the West Kora Oilfield in L15 was provided by Energetica Consulting in September 2015 (refer to Key Petroleum Limited's ASX releases dated 30 September 2015) and reviewed and released by Rey on 14 May 2018. The estimation is based on the vintage wells in the permit and relevant studies. The estimated remaining reserves and resources, as calculated by Energetica Consulting in September 2015, are listed in Table 2 below.

Estimated Remaining Reserves and Resources				
		1P	2P	3P
West Kora Oilfield Recoverable Oil	mmSTBO <sup>1</sup>	0.25	0.38	0.66
		1C	2C	3C
West Kora Oilfield Recoverable Contingent	mmSTBO	0.06	0.12	0.26

Resources				
Point Torment Gas Discovery Recoverable	BCF <sup>2</sup>	2.41	4.725	8.42
Contingent Resources				

Table 2: Reserves and Contingent Resources estimation of West Kora Oilfield (estimate prepared by Energetica Consulting in September 2015, refer to Key ASX releases dated on 30 September 2015 and REY release dated 14 May 2018).

<sup>1</sup> mmSTBO – million stock tank barrels of oil.

<sup>2</sup> BCF – billion cube feet

The remaining reserves and resources are the estimated quantities of petroleum that may be potentially recovered by the application of a future development project and relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration, appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons.

## 2. Coal

The Duchess Paradise Project (“DP”) is a thermal coal project located in the Canning Basin of Western Australia and is partly contiguous with the Fitzroy Blocks. It has a reported Mineral Resource of 305.8Mt (JORC 2012 Code). Rey is negotiating an Access Deed with the only objector to remove the only objection to the Mining Licence Application. That Warden’s Court will give the final decision once Rey and the objector have reached agreement.

### Duchess Paradise P1-seam Resources - October 2014 (JORC 2012 Code)

Duchess Paradise Resources Estimate (in-place, with <i>in situ</i> moisture) Million Tonnes <sup>1</sup>					
Measured	Indicated	Inferred (Interpolated)	Inferred (Extrapolated)	Total Inferred	Total
60.2	78.5	51.3	115.7	167.1	305.8

1. Some values do not sum due to rounding.

The Company continues to investigate potential opportunities for the DP Project to maximise shareholder value.

Following an internal review of its previously reported Ore Reserves in 2017, the Company considered that a review of the Definitive Feasibility Study (“DFS”) was warranted given that the initial DFS was undertaken six years ago. Consequently, on 20 September 2017 the Company withdrew its Ore Reserves pending the outcome of this review and decided to update the DFS. During the March quarter, Rey continued to progress its review of the second phase of DFS update.

During the March quarter, Rey continued to focus on the ML application and a draft access deed with further comments from the objector has been received. Rey is reviewing and considering the terms.

## 3. Corporate

On 5 March 2019, the Company advised that it had agreed to extend the facility amount for its \$3,000,000 loan facility with ASF Group Limited (**ASF Loan Facility**) to \$3,800,000. All other terms and conditions of the ASF Loan Facility remain the same.

On 18 April 2019, the Company announced it had entered into a new Loan Agreement (**Loan Agreement**) with Wanyan Liu, a substantial shareholder in the Company (**Lender**), for a loan of \$3,000,000 (**Loan**). The Loan will mature on 31 December 2020, with interest accruing at the rate of 12% per annum.

The Loan was used to repay \$2,500,000 of the ASF Loan Facility (which will remain available for re-draw pursuant to the terms of the ASF Loan Facility) and will provide general working capital.

## **Competent Persons Statement**

### **Coal Resources Estimate**

*The estimate of P1-seam Resources in the Duchess Paradise area was first reported to ASX on 28 October 2014, in accordance with:*

- *“The Australian Guidelines for Estimating and Reporting of Inventory Coal, Coal Resources and Coal Reserves” – 2003 Edition prepared by the Coalfields Geology Council of New South Wales and the Queensland Mining Council;*
- *JORC Code, 2012 Edition, and as adopted by the Australian Stock Exchange; and*
- *ASX Companies Update 03/07 and the JORC paper of June 19th 2007, Guidance for Practitioners.*

*The P1-seam Resources estimate and discussion presented in this report is based on information supplied by Rey Resources or by companies employed by Rey Resources, as well as information collected during exploration activities under the guidance of Rey Resources. The information was approved by consultants to the Company Mr K. Scott Keim, C.P.G Area Manager, Senior Principal for Cardno, and Mr Ronald H. Mullenex, C.P.G., C.G.W.P., Senior Principal for Cardno. The Company confirms that the form and context in which the information is presented has not been materially modified and it is not aware of any new information or data that materially affects the information included in the relevant market announcements, as detailed in the body of this announcement.*

*Mr Keim has over 32 years of experience in coal-related work, including but not limited to coal exploration and coal reserve/resource estimation. He is a member of the Society of Mining, Metallurgy, and Exploration (SME), which is part of The American Institute of Mining, Metallurgy, and Petroleum Engineers (AIME). He is also a member of the American Institute of Professional Geologists (AIPG). He has served as a member of the Board of Directors of The Penn State Research Foundation, and on the Advisory Board to the Virginia Center for Coal and Energy Research, affiliated with the Virginia Polytechnic Institute and State University. Mr Keim holds a Bachelor of Science degree from The Pennsylvania State University. His education and experience qualify him as a Competent Person as defined in the JORC Code, 2012 Edition.*

*Mr Mullenex has over 40 years of experience in diverse geologic and hydrogeologic applications related to all aspects of coal geology. One of his specific areas of expertise involves application of stratigraphic and deposystem analysis to coal resource and reserve delineation and mineability determination. Mr Mullenex is a member of the American Institute of Professional Geologists, the Association of Engineering Geologists, the Geological Society of America (Coal Geology and Hydrogeology Divisions), SME of AIME, Association of Ground Water Scientists and Engineers (division of National Ground Water Association), International Mine Water Association, and the American Society of Mining and Reclamation. Mr Mullenex holds both Bachelor of Science and Master of Science degrees in Geology from West Virginia University. He has served on the Visiting Committee for the Department of Geology and Geography at WVU. His education and experience qualify him as a Competent Person as defined in the JORC Code, 2012 Edition.*

### **Petroleum Exploration**

*The technical information quoted for the Derby Block has been compiled and/or assessed by Mr. Keven Asquith who is a qualified petroleum reserves and resources evaluator. Mr Asquith is Director of 3D-GEO Pty Ltd and has over 30 years of geotechnical experience in the Petroleum Industry, as well as seven years of Project Management in the Government Sector. His experience includes four years at ESSO Resources Canada, 16 years at BHP Petroleum in Melbourne and the 10 years consulting at 3D-GEO. Keven has an Honours BSc in Geology and a Diploma in Project Management. He has been a member of the American Association of Petroleum Geologists for over 25 years. The Company confirms that the form and context in which the information is presented has not been materially modified and it is not aware of any new information or data that materially affects the information included in the relevant market announcements, as detailed in the body of this announcement.*

*The technical and the prospective reserves and resources information quoted for L15 is quoted from Rey's announcement on 14 May 2018 and was compiled and/or assessed by Mr Doug Barrenger. Mr Doug Barrenger received a BSc degree (geology) from the Australian National University and a Graduate Diploma in computing Science from the Queensland University of Technology. He has more than 35 years of experience in the petroleum industry. He has written numerous Independent Expert Reports, Resource Reports and Acreage and Resource Valuations, for IPO on several stock exchanges. He was the General Manager Subsurface at Exoma Energy through 2012 and is a founding partner of Fluid Energy Consultants (2013). He is a member of the Petroleum Exploration Society of Australia (PESA), the Society of Petroleum Engineers (SPE) and a thirty five-year, Active Member of the American Association of Petroleum Geologists (number 330431). The Company confirms that the form and context in which the information is presented has not been materially modified and it is not aware of any new information or data that materially affects the information included in the relevant market announcements, as detailed in the body of this announcement.*

## Corporate Directory

### Board of Directors

Min Yang	Non-executive Chairman
Wei Jin	Managing Director
Geoff Baker	Non-executive Director
Dachun Zhang	Independent Non-executive Director
Zhiliang Ou	Independent Non-executive Director
Louis Chien	Alternate Non-Executive Director (alternate to Min Yang)

### Company Secretary

Shannon Coates

### Capital Structure

Rey Resources is listed on the Australian Securities Exchange (ASX: REY) and had 212,385,266 ordinary shares on issue as at 31 March 2019.

### Share Registry

Boardroom Pty Limited  
Level 7, 207 Kent Street  
Sydney NSW 2000 Australia  
Tel: +61 2 9290 9600  
Fax: +61 2 9279 0664

### Registered Office

Suite 5, 62 Ord Street  
West Perth WA 6005 Australia  
Tel: +61 2 8259 9620  
info@reyresources.com  
[www.reyresources.com](http://www.reyresources.com)

## Tenement Tenure Status (as at 31 March 2019)

Tenure ID <sup>1</sup>	Tenure Type	Holder (wholly-owned Rey subsidiary company)	Ownership% begin quarter	Ownership% end quarter
	<b>Mineral Licences</b>			
E04/1386	Exploration Licence	Blackfin Pty Ltd	100	100
E04/1519	Exploration Licence	Blackfin Pty Ltd	100	100
E04/1770	Exploration Licence	Blackfin Pty Ltd	100	100
M04/0453	Mining Lease Application	Blackfin Pty Ltd	100	100
	<b>Petroleum Permits</b>			
EP457	Exploration Permit	Rey Oil and Gas Pty Ltd	25	40
EP458	Exploration Permit	Rey Oil and Gas Pty Ltd	25	40
EP487 <sup>2,3</sup>	Exploration Permit	RLS	50	50
EP487 <sup>2,3</sup>	Exploration Permit	RDB	50	50
L15 <sup>3</sup>	Production Licence	Gulliver Productions	100	100
R1	Retention Licence	Gulliver Productions	100	100
EP104	Exploration Permit	Gulliver Productions	100	100

<sup>1</sup> All tenements are located in Western Australia.

<sup>2</sup> Royalties attaching to EP487: RLS may, at its election, on the grant of a production licence on EP487, either: grant Backreef Oil Pty Ltd a 1% royalty on sales proceeds from future production from its interest in EP487; or pay \$2 million to Backreef.

<sup>3</sup> Subject to farmin by Doriemus Plc., as first announced on 31 December 2018, with Doriemus to earn 50% operating interest on completion.

## 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

**REY RESOURCES LIMITED**

### ABN

84 108 003 890

### Quarter ended ("current quarter")

31 March 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(161)	(399)
(b) development	-	-
(c) production	-	-
(d) staff costs	(70)	(170)
(e) administration and corporate costs	(300)	(738)
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 (Refund of Rental Bond)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(531)</b>	<b>(1,307)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	(480)	(480)
(c) investments	-	-
(d) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 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)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(480)</b>	<b>(480)</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	1,100	1,860
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Share buy back	-	(6)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>1,100</b>	<b>1,854</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	14	36
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(531)	(1,307)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(480)	(480)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,100	1,854
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>103</b>	<b>103</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	103	14
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>103</b>	<b>14</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>
113
-

Director fees (\$58,423), Consulting fees (\$54,166)

**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>
-
-

8. <b>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	3,800	3,800
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 12 October 2017, a loan facility agreement was entered into between the Company and ASF Group Limited ("ASF Loan Facility") pursuant to which ASF will provide up to \$1 million unsecured loan facility to the Company for a term of 12 months, at the interest rate of 12% per annum. The ASF Loan Facility amount was subsequently increased to \$1.5 million pursuant to a Deed of Amendment entered into between the Company and ASF on 18 December 2017. On 2 March 2018, ASF agreed to further increase the ASF Loan Facility to \$2 million and to extend the loan maturity date to 31 December 2019. The ASF Loan Facility was further increased to \$2.5 million on 18 July 2018 and to \$3 million on 29 November 2018 and then to \$3.8 million on 5 March 2019. As at 31 March 2019, the whole \$3.8 million ASF Loan Facility had been fully drawn down.

Post the end of the Quarter, on 18 April 2019, the Company announced it had entered into a new Loan Agreement (**Loan Agreement**) with Wanyan Liu, a substantial shareholder in the Company (**Lender**), for a loan of \$3,000,000 (**Loan**). The Loan will mature on 31 December 2020, with interest accruing at the rate of 12% per annum. The Loan was used to repay \$2,500,000 of the ASF Loan Facility (which will remain available for re-draw pursuant to the terms of the ASF Loan Facility) and will provide general working capital.

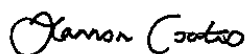
9. <b>Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1 Exploration and evaluation	153
9.2 Development	-
9.3 Production	-
9.4 Staff costs	29
9.5 Administration and corporate costs	135
9.6 Other (provide details if material)	-
<b>9.7 Total estimated cash outflows</b>	<b>317</b>

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

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				
10.2	Interests in mining tenements and petroleum tenements acquired or increased	Fitzroy Block (EP457 & EP458)	Acquisition of a further 15% interest in EP457 & EP458 for a total cash consideration of \$480,000.	25% EP457 25% EP458	40% EP457 40% EP458

**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.



26 April 2019

Sign here: .....

Date: .....

(Director/Company secretary)

SHANNON COATES

Print name: .....

**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.