

ASX: TEG

www.triangleenergy.com.au

52 Wk Share Price Range

\$0.129 – \$0.064

Market Capitalisation

\$31.2M (at \$0.10 per share as at 29 July 19)

Issued Capital (as at 30 June 2019)

312.8M Outstanding Shares

11.1M Unlisted Options @ \$0.15

0.4M Unlisted Performance Shares

Cash (as at 30 June 2019)

\$2.49M

Investment in State Gas Limited

\$33.47 million (at \$0.70 per share, as at 29 July 19)

Debt (as at 30 June 2019) \$0.87M

TEO Inter-Company Loan

Top 20 Shareholders (30 June 2019)

59.49%

Directors/Management

Timothy Monckton

Non-Executive Chairman

Rob Towner

Managing Director/CEO

Darren Bromley

Executive Director/CFO/ COO

Jason Peacock

Non-Executive Director

Wai-Lid Wong

Non-Executive Director

Ted Farrell

Non-Executive Director

Lucy Rowe

Company Secretary

Triangle Energy (Global) Ltd

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HIGHLIGHTS DURING THE QUARTER

Cliff Head Oil Field (Cliff Head) Production

- Produced and sold: 72,627 bbls (ave. 798 bopd)
- Cliff Head Joint Venture (CHJV) crude sales revenue: AU\$6.89 million (previous quarter AU\$6.13 million)
- Lifting costs: US\$25.31/bbl (previous quarter US\$27.69/bbl) due to higher production for the quarter
- Operating margin: US\$41.11/bbl
- Long lead item secured to return CH-13 to production which is expected to be achieved during Q4 2019
- Geotechnical work to progress the Phase 2 Cliff Head development is ongoing
- Priority opportunities identified at SE Nose (previously referred to as Area A3: NFE South East) and West High (previously referred to as Area A1: NFE West), in addition to a near field target of focus
- Reprocessing of the Cliff Head 3D in support of the priority opportunities is being evaluated

TP/15 Xanadu Seismic Survey Commenced

- On 31 May 2019 the TP/15 Joint Venture was pleased to report that Norwest Energy NL, Operator received the necessary State Government approvals to proceed with the planned Xanadu 3D seismic survey
- The full Xanadu 3D seismic survey was completed subsequent to the end of the quarter on the 11 July 2019
- Early processed data supports the expectation that good data quality will be achieved
- Final PreSTM volume expected end September 2019 with results from the interpreted data expected to be available by October 2019

Corporate

- On 6 May 2019, the Company announced the release of 11,191,052 fully paid ordinary shares from Voluntary Escrow
- On 28 June 2019, the Company repaid its US\$1,383,253.65 loan to Tamarind Resources Pte Ltd
- Cash: \$2.49 million (previous quarter: \$4.14 million) which includes \$1.45 million in escrow.

MANAGING DIRECTOR OVERVIEW - Mr Rob Towner

The Company has continued to strengthen the foundations to underpin sustainable and long-term growth for our shareholders. Our confidence in our Perth basin oil strategy continues to strengthen. I was pleased to welcome Mr Matt Fittall into the Company as our Sub-surface Manager. Matt brings to the Company more than 30 years' experience, practising in Petroleum Geology with majors such as BHP, Total and Mitsui.

During the quarter the Company focused on ensuring the infield and near field growth opportunities within WA-31-L at Cliff Head. Work progressed during the quarter to continue to strengthen the definition, and therefore our confidence, in the investability of the WA-31-L opportunities identified in our earlier work, as previously announced to the market on 10 July 2018. I look forward to keeping shareholders updated as to the results of this work which we anticipate will be in the fourth quarter of this calendar year.

Commencement of the 3D seismic over our Xanadu oil discovery in TP/15 signalled a significant progress milestone as we seek to better define the discovery and ensure we have the information necessary to underpin a second well in the structure. The seismic acquisition was completed on the 11 July 2019 and the Company looks forward to receiving the processed seismic with encouraging data quality indications to date.

The June quarter has been a period of reliable production from our Cliff Head assets. Our costs saving initiatives are now in place and delivering robust operating margins.

The remainder of 2019 and the 2020 calendar years are anticipated to be an exciting time for the Company as the results of the rebuilding of the geological model and dynamic modelling finalisation are announced and implementation actioned. We expect to be able to finalise our basin wide strategy and actions for the 2020 year during the next quarter and I look forward to sharing this with our shareholders.

COMPANY UPDATE

Cliff Head Oil Field (100%)

Production and Revenue

- CHJV production 3 months to 30 June 2019: **72,617 bbls**
- CHJV oil sales revenue June 2019 quarter: **AU\$6.89 million**
- CHJV June 2019 quarter production rate: **798 bopd**

June 2019 Quarter	CHJV Total (100%) AU\$ Millions	CHJV Total (100%) US\$* Millions	Per barrel US\$*
Sales	6.887	4.823	\$66.42/bbl
Lifting costs	(2.624)	(1.838)	(\$25.31)/bbl
Operating margin	4.263	2.985	\$41.11/bbl
Trucking	(0.380)	(0.266)	(\$3.67)/bbl
Routine profit	3.883	2.719	\$37.44/bbl
Non-routine costs	(2.072)	(1.451)	(\$19.98)/bbl
Gross profit (loss)	1.811	1.268	\$17.46/bbl

* US\$/AU\$ conversion rate of 0.7003

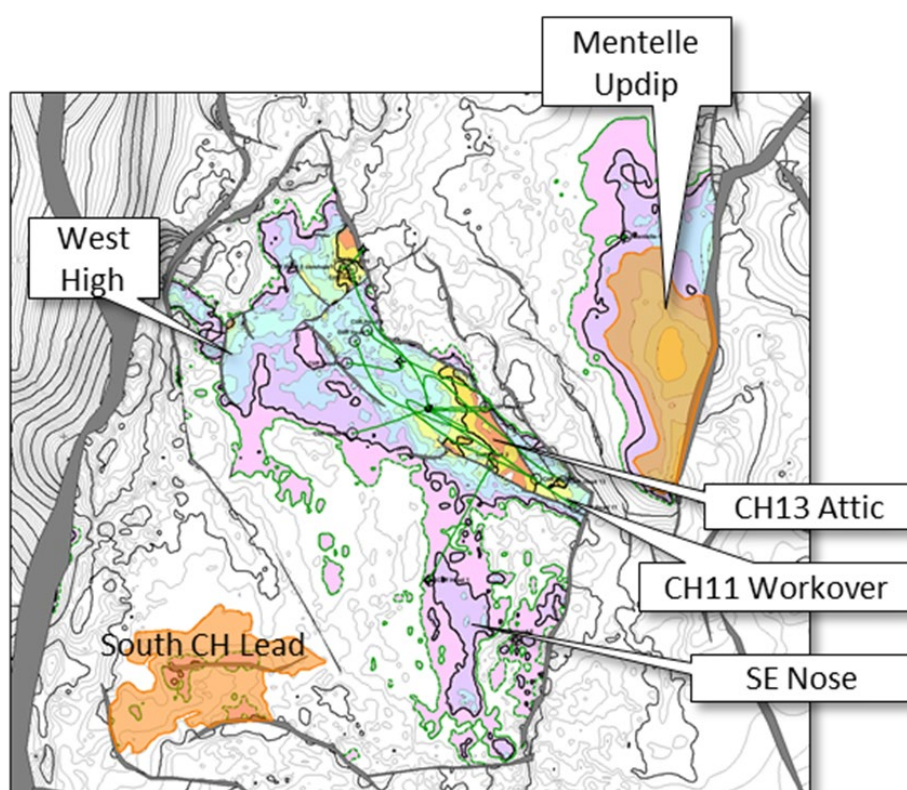
Note: Triangle will be continuing to report for the CHJV at 57.5% as it currently controls two of the three joint venture participants in the CHJV. The 42.5% acquired by Triangle and Royal (21.25% each) on 31 March 2017 is controlled 50/50 and will not be consolidated into the Triangle Group of Companies.



Cliff Head Geotechnical Work

The geotechnical work to progress the Phase 2 Cliff Head development involves the update of the geological model for the field in advance of the final dynamic modelling. The geomodel update work is progressing and will be followed by the reservoir simulation phase during the next quarter, the Company will keep shareholders updated when this has been completed.

SE Nose continues to be a priority opportunity (previously referred to as Area A3: NFE South East – see ASX announcement 10 July 2018). West High also continues to be a priority opportunity (previously referred to as Area A1: NFE West – see ASX announcement 10 July 2018). Work is progressing on the Contingent Resources being finalised and a drilling strategy for both these opportunities is being defined to maximise recovery and economic return.



Further evaluation of the CH11 water injection shut-in and the conversion to an oil producer from an upper oil zone is ongoing with a strategy to progress this opportunity being developed. Possible bypassed oil on the eastern limit of the main Cliff Head horst has been identified and will be evaluated with the dynamic model.

Reprocessing of the Cliff Head 3D in support of the SE Nose and West High opportunities is being evaluated. The Cliff Head 3D seismic was acquired in 2003 with PreSDM processing by Veritas in 2005. Processing technology has made substantial progress since 2005.

Feasibility planning for additional seismic over the Mentelle prospect up dip of the Mentelle-1 exploration well drilled by ROC Oil in 2003 has commenced.

Cliff Head Well Intervention

On 13 March 2019, the Company announced that a technical issue had occurred during steady state operations which caused production well CH13 to stop producing. It was confirmed by both Company and service personnel that the issue is associated with the downhole electric submersible pump (**ESP**).

During the quarter the Company evaluated several alternate technologies to replace downhole ESPs. An alternative Rigless Intervention System has been selected being both technically superior and cost effective to the Coiled Tubing Unit retrieval and deployment method.

Long lead Items have been ordered and planning is ongoing with CH-13 expected to return to production in November 2019. Opportunity has been taken to optimise the ESPs rates on CH6 and CH7 resulting in an additional 50bbl/d increase in production on average over the period from that forecast with CH013 offline.

The production impact of CH-13 being offline is approximately 240bbls/d. With the resumption of production from the CH-13 well production is expected to return to approximately 1000bbls/d.

TP/15 Xanadu-1 JV (45%)

The 40km² 3D seismic program has been designed to fully delineate the Xanadu oil discovery, focusing on the northern region, and the southern down-dip region extending out to the western flank of the structure. The seismic programme commenced on 31 May 2019 with the full scope of works completed on 11 July 2019.

Early processed data is encouraging and there is confidence that good data quality will be achieved to allow the Joint Venture to define the Xanadu structure and plan the Xanadu-2 follow-up well. The joint venture expects the final PreSTM volume by end September 2019.

Once the survey data has been processed, interpreted and integrated with Norwest's existing dataset, the TP/15 Joint Venture will consider an appraisal well on the Xanadu structure. The seismic data will enable the well location and trajectory to be optimally designed to provide the best chance for a significant commercial appraisal. Subject to Joint Venture approval, the Xanadu-2 appraisal well could be drilled mid-2020.

During the quarter the Company continued its detailed review of the forward work plan at the Xanadu discovery which includes other potential activity in Exploration Permit TP-15. The Company is encouraged by the additional prospectivity in the permit and is working with our joint venture partners to agree a budget and programme of work to further define this additional prospectivity.

The approval for a side-track well at Xanadu-1 location is already in place and the joint venture continues to monitor rig availability in the Perth Basin.

Farmout Agreement with Key Petroleum Limited for Production Licence L7(R1)¹

On 31 October 2018, the Board of Triangle was pleased to announce that it entered into a Farmout Agreement with Key Petroleum Limited (ASX:KEY) to acquire a 50% participating interest in Production Licence L7(R1) (**Acquisition**). A wholly owned subsidiary of Triangle will hold the relevant interest earned under the Farmout Agreement,

The Farmin is subject to the approval of the West Australian Department of Mines, Industry Regulation and Safety (**DMIRS**) and the landowner. DMIRS approval has been obtained. Finalisation of the landowner consent is ongoing.

The Company has identified multiple "attic" locations for infill development wells and, subject to the completion of the Farmout Agreement, anticipates undertaking 3D seismic as soon as possible and the drilling of at least two in-fill development wells thereafter, subject to normal regulatory and joint venture approvals.

The Company concurs with the Operator's (Key Petroleum Limited via a wholly owned subsidiary) assessment that L7 captures the bulk of the underexplored Bookara Shelf oil fairway.

The Company will keep shareholders updated as the to the when the Acquisition has completed.

¹ Subject to Completion of the Farmout Agreement. See ASX Announcement on 31 October 2018.

INVESTMENTS

State Gas Limited (ASX: GAS)

Triangle is the major shareholder of State Gas Limited (**State Gas**) (ASX:**GAS**) with an interest of 33.34%, the investment is equivalent to \$33.47 million in value at a \$0.70 (as at 29 July 2019) per State Gas share.²

As State Gas has previously announced, in November 2018 it increased its Participating Interest in the Reid's Dome Project from 60% to 80% by acquiring an additional 20% Participating Interest from its Joint Venture partner Dome Petroleum Resources Plc (Dome). State Gas became entitled under the Joint Operating Agreement to acquire the remaining 20% interest when Dome reduced its Participating Interest to less than 25% (the Minimum Interest). State Gas exercised that right in December 2018, however Dome failed to complete the sale. Subsequent to State Gas commencing action in the Supreme Court of Queensland to enforce completion, Dome lodged a counterclaim seeking to reverse the November 2018 acquisition.

The parties attended a mediation in May 2019 however the matter was not resolved and will now proceed to trial, set down for September 2019. State Gas remains confident of its position with respect to both its claim and Dome's counterclaim.

On 3 June 2019, State Gas announced the appointment of Mr Richard Cottee as Executive Chairman indicating a further step in the Company's progress towards the development of the Reid's Dome Gas Project in the Bowen Basin in Central Queensland. The appointment followed the successful completion of the first dedicated coal seam gas well (Nyanda-4) at Reid's Dome in December 2018, which confirmed the presence of more than 40 metres of net coal from approximately 394 metres depth to its total depth of 1,200 metres, and an average gas content of more than 13 cubic metres per ton in coal seams tested.

Further on 3 June 2019, State Gas also announced it had secured funding for the next phase of appraisal of the Reid's Dome Gas Project in Central Queensland to be undertaken this year. Funding of \$4.9 million was arranged via a private placement (Placement) of Ordinary Shares at \$0.70 each to a Sophisticated Investor. As result of this placement, Triangle's interest in the Company was diluted to 33.34% and a Change in Substantial Shareholder notice was lodged on 18 June 2019, the day these Placement shares were issued.

Triangle's Managing Director, Mr Rob Towner, represents Triangle's interests on the board of State Gas as a non-executive Director.

CORPORATE

Capital and Management Expenditure

As at 30 June 2019, Triangle had a cash balance of AU\$2.49 million of which AU\$1.45 million is held in escrow.

The Company is in the final stages of formulating its basin wide strategy and its funding requirements to deliver this strategy. The Company has been successful in securing adequate funding and is currently evaluating a number of different funding options to meet its planned activities and expenditure needs and will make further announcements to the market in due course.

The Company also holds a 50% equity interest in Triangle Energy (Operations) Pty Ltd which had \$0.40 million in cash attributed to the Company at 30 June 2019. This investment is equity accounted for in the Company's financial statements.

Tamarind Loan Agreement

On 28 June 2019 US\$1,383,253.65 was repaid to Tamarind Resources Pte Ltd prior to the expiry of the Loan Term on 30 June 2019 in full satisfaction of the Company's obligations under the Loan Agreement.

² The shares in State Gas Limited are to be released from escrow on 9 October 2019 (24 months from date of admission of that Company to the Official List).

Pase PSC – PT Enso Asia

The Company is owed US\$1.02 million (AU\$1.45 million), cash held in escrow, in relation to the Sale and Purchase Agreement of the Pase Production Sharing Contract (PSC) to PT Enso Asia which completed in February 2016.

The US\$1.02 million held under contract, is to be released to Triangle after the Indonesian Ministry of Energy and Resources (ESDM) or Special Unit for Upstream Oil and Gas Operations (SKKMIGAS) provides written approval of the Change of Control of the Pase PSC.

The Company will provide further updates as and when they are available.

Request for Arbitration from PDPA

On 6 March 2019, the Company advised shareholders that it had received a request for arbitration from former joint venture partner Perusahaan Daerah Pembangunan Aceh (**PDPA**), an Acehnese government - owned company, with PDPA filing an application for arbitration with the BANI Arbitration Centre located in Jakarta.

The claim relates to the Production Share Contract for the Pase Concession (in which the Company sold its interest in February 2016, as stated above), with PDPA alleging the Company did not comply with various obligations to make its corporate social responsibility contributions to a community development fund (as to approximately \$1.1M) and to build a road (with PDPA claiming, on the basis of a quote, approximately \$4.8M).

The Company intends to defend the claim and has engaged Indonesian legal counsel to assess the merits of the claim.

Shareholder Analysis

As at 30 June 2019 the Company had 906 shareholders and 312,753,682 ordinary fully paid shares on issue. The Top 20 shareholders hold 59.49% of the total issued capital.

Information in relation to ASX Listing Rule 5.4.3

At 30 June 2019, the Company held:

- 78.75% interest in WA-31-L in the Perth Basin, Western Australia;
- 45% interest in TP/15 Joint Venture in the Perth Basin, Western Australia; and
- a 50%³ participating interest in Production Licence L7(R1).

The Group did not acquire or dispose of any other tenements during the quarter.

³ Subject to completion of the Farmout Agreement with Key Petroleum Limited, see announcement 31 October 2018

BACKGROUND TO OPERATIONS

WESTERN AUSTRALIA

Cliff Head Oil Field - Operator WA-31-L Offshore Perth Basin (78.75%)

The Cliff Head Oil Field is located 10 kilometres off the coast of Western Australia at a water depth of 15-20 metres. The Production Licence WA-31-L covers 72km² and the oil field covers 6km². It was the first commercial oil discovery developed in the offshore Perth Basin. The development cost of the field was AU\$327 million with first oil production commencing in May 2006.

Production is from five ESP production wells and produced water is reinjected into three injection wells. Produced Crude oil is trucked to the BP refinery in Kwinana, 42kms south of Perth.

Facilities and Infrastructure

The Cliff Head facilities are the only offshore infrastructure in the Perth Basin and are therefore important for any development in the surrounding area. An unmanned platform with a 14km pipeline carries the crude oil to a dedicated stabilisation processing plant at Arrowsmith with a production capacity of 15,000 bopd.

The field has the capacity to produce approximately 1000 BOPD from five production wells (3 horizontal and 2 deviated). The production from the field is supported by a water flood with 3 water injection wells (1 horizontal and 2 deviated). An additional unused well slot is available on the platform for future drilling activities.

Production Optimisation and Exploration Upside

The Perth Basin has over 60 wells drilled offshore (approximately 47 wildcat wells) and 320 wells drilled onshore. The Northern Perth Basin has 20 commercial oil and gas fields and numerous additional significant discoveries of varying sizes. The Northern Perth Basin has proven production with 10 producing fields and with Cliff Head being the only offshore producing field.

The Cliff Head joint venture has developed a set of near field opportunities within the WA-31-L permit area to enhance production through the asset. These include production optimisation from the existing wells, in-field appraisal and development drilling, and near field exploration.

Potential enhancements to the water flood to maximise oil production rate, at relatively low cost, are being evaluated, along with infield appraisal and development drilling opportunities that can be rapidly brought on stream and providing incremental production if successful. Near field exploration prospects are also being developed that could be rapidly developed through Cliff Head platform and tied-in to existing facilities at the Arrowsmith plant and further increase the production potential of the asset.



Arrowsmith Stabilisation Plant

Health, Safety and Environment

The Cliff Head Joint Venture is dedicated to HSE and Asset Integrity Management.

Offshore Australian projects are subject to the OPGGSA safety case regime and all requirements are implemented at the offshore and onshore facilities.

All environmental requirements (EIAs, EMPs, Oil Pollution Emergency Plans, carbon emissions reporting) are being met.

Through its existing Cliff Head Oil Field production operations, the Cliff Head Joint Venture has established good relations with the regulators, fishing community, landholding sectors, tourism stakeholders and other operators in the area.

Xanadu - TP/15 Offshore Perth Basin (45%)

TP/15 is located in the offshore northern Perth Basin approximately 280km north of Perth. The permit occupies the 3 nautical mile wide state territorial waters of Western Australia, adjacent to Port Denison, and covering an area of 645km².

Both Cliff Head and Xanadu lie on Beagle Ridge, east of the major Geraldton fault. The oil generation kitchen filling the Cliff Head Oil Field is viewed as the same source kitchen for the Xanadu prospect. Cliff Head and Xanadu also share the same reservoir units. The technical understanding of the Xanadu prospect including reservoir seal and trap dynamics, is greatly enhanced by the analogous Cliff Head Oil Field.

The Xanadu-1 well was spudded on 4 September 2017 and reached a total depth of 2035 MDRT on 17 September 2017. It was confirmed that the Xanadu-1 well had intersected hydrocarbon bearing intervals as demonstrated by elevated gas readings, oil shows, fluorescence and cut-fluorescence while drilling (see ASX announcement dated 18 September 2017). These drilling results provided sufficient encouragement for the TP/15 Joint Venture (JV) to commit to running a wireline logging suite that included pressure testing and fluid sampling.

On 25 September 2017, Triangle announced that an oil discovery at Xanadu-1 was confirmed. This was an outstanding achievement and the first oil discovery in the offshore Perth Basin since Cliff Head over 15 years ago.

The wireline logs over a 330m section confirmed reservoir quality sand intervals throughout the Irwin River Coal Measures (IRCM) with porosities ranging from 15-16%. Three discrete sand intervals (A, B, C) at the top of the IRCM had log-derived hydrocarbon saturations between 41-66% with 4.6m of net pay in sand "A".

Fluorescence in rock cuttings were observed while drilling and log-derived hydrocarbon saturations persist for 120m in sands below these upper zones.

Norwest Energy NL (ASX: NWE) as Operator, and on behalf of the JV, has lodged a Discovery Notice with the Minister for Mines, Industry, Regulation and Safety. This is a requirement under the Guidelines to Petroleum and Geothermal Energy Resources and Petroleum (Submerged Lands) Regulations 2015.

Analysis of the oil recovered from Xanadu-1 samples show is a yield of 34.7o API crude oil with no H₂S and extremely low levels of CO₂ (0.02%). The Xanadu crude is similar to that produced at Cliff Head Oil Field and, upon development, is expected to receive similar pricing in the market. The minimal levels of CO₂ and no H₂S characteristics of the crude oil enable the use of lower-cost, schedule efficient development options.

A work program is currently being undertaken that is aimed at high impact, low cost schedule of activities dedicated towards appraisal of the Xanadu discovery and nearby exploration, given the high economic value of oil production, and the high value-add of identifying further reserves.

The Triangle directors believe that there is significant potential at Xanadu. Once the first phase of analysis and review is complete, and all results have been merged into one comprehensive dataset, the Joint Venture will be well placed to decide upon the best way forward in the development of the Xanadu discovery.

The similarities between the Xanadu and Cliff Head crude analysis also suggest that the oil in both fields has probably migrated from the same source. If proved correct, this increases the likelihood that other structures within the area of Cliff Head and Xanadu may also be trapped with oil and the approved 3D seismic acquisition over the Xanadu structure will help analyse and identify additional potential targets. The Company believes that the Cliff Head data can also be used as an analogue in developing future exploration, appraisal, production and development scenarios.



Xanadu – 1 Drilling September 2017

TP/15 Joint Venture as at the date of this Report

JV Participant	ASX Code	Percentage Interest
Norwest (via subsidiary) (Operator)	ASX:NWE	25%
Triangle (Global) Energy Ltd (via subsidiary Triangle Xanadu Pty Ltd)	ASX:TEG	45%
3C Group IC Limited (via subsidiaries)		30%

ENDS

Enquiries:

Company Secretary - +61 8 9219 7111

About Triangle Energy (Global) Ltd

Triangle Energy (Global) Ltd is an ASX listed (ASX: TEG) oil and gas producer and explorer based in Perth, Western Australia. The Company has a 78.75% interest in, and is Operator of, the producing Cliff Head Oil Field, which includes the Arrowsmith Stabilisation Plant, and a 45% share of the Xanadu-1 Joint Venture and has executed a Farmout Agreement with Key Petroleum Limited for its Production Licence L7(R1), all located in the Perth Basin⁴. Triangle also has a 33.34% interest in State Gas Limited, a company with an 80% operating interest in the Reid's Dome production licence (PL 231) in Queensland. The Company continues to assess acquisition prospects to expand its portfolio of assets.

Qualified Petroleum Reserves and Resources Evaluator Statement

In accordance with ASX Listing Rules, Information in this report that relates to all Petroleum Resources and Prospective Resources and proved, and probable reserves has been reviewed and signed off by Mr Matt Fittall, a full-time employee of Triangle Energy (Global) Limited. Information that relates to reserves is based on and fairly represents, information and supporting documentation prepared by or under the supervision of Mr Fittall. He has consented to the form and context in which the information that relates to the reserves is presented. Mr Fittall is a Geologist BSc(hons)Geology with more than 30 years' experience, practising in Petroleum Geology. Mr Fittall is a member of the Petroleum Exploration Society of Australian (PESA).

⁴ Subject to completion of the Farmout Agreement, see ASX Announcement dated 31 October 2018

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

Triangle Energy (Global) Limited

ABN

52 110 411 428

Quarter ended ("current quarter")

30 June 2019

Note: Triangle will be continuing to report for the CHJV at 57.5% as it currently controls two of the three joint venture participants in the CHJV. The 42.5% recently acquired by Triangle and Royal (21.25% each) is controlled 50/50 has not be consolidated into the Triangle Group of Companies.

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities			
1.1 Receipts from customers		4,105	12,869
1.2 Payments for			
(a) exploration & evaluation		(815)	(1,200)
(b) development		-	-
(c) production		(2,484)	(10,040)
(d) staff costs		(621)	(1,684)
(e) administration and corporate costs		(119)	(725)
1.3 Dividends received (see note 3)		-	-
1.4 Interest received		1	11
1.5 Interest and other costs of finance paid		(180)	(314)
1.6 Income taxes paid		-	-
1.7 Research and development refunds		-	1,028
1.8 Other (provide details if material)			
1.9 Net cash from / (used in) operating activities		(113)	(55)

2. Cash flows from investing activities			
2.1 Payments to acquire:			
(a) property, plant and equipment		(307)	(2,025)
(b) tenements (see item 10)		-	(2,000)
(c) investments		-	-
(d) other non-current assets		-	-
• Payment to acquire associates		-	(15)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 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	(307)	(4,040)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	5,032
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	360
3.4	Transaction costs related to issues of shares, convertible notes or options	(3)	(329)
3.5	Proceeds from borrowings	505	505
3.6	Repayment of borrowings	(1,760)	(2,060)
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	(1,258)	3,508

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	4,143	2,959
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(113)	(55)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(307)	(4,040)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(1,258)	3,508
4.5	Effect of movement in exchange rates on cash held	25	118
4.6	Cash and cash equivalents at end of period	2,490	2,490

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	919	2,628
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
	• Funds held in escrow	1,452	1,437
	• Cliff Head JV cash at bank	119	78
5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,490	4,143

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**

(329)

Included at 6.1 are:

- Executive director remuneration of \$296k
- Non-executive director's remuneration \$33k

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**

-

-

N/A

Mining exploration entity and oil and gas exploration entity quarterly report

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	-	-
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.		

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	(308)
9.2 Development	-
9.3 Production	(3,357)
9.4 Staff costs	(326)
9.5 Administration and corporate costs	(267)
9.6 Other (provide details if material)	
• Loan repayment	-
9.7 Total estimated cash outflows	(4,258)

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	N/A			
10.2 Interests in mining tenements and petroleum tenements acquired or increased	N/A			

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: (Signed electronically without signature)

Date: 31 July 2019

Print name: Darren Bromley (Director)

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.