



December Quarterly Activity Report

Highlights – Parta Project Farm-in, 3D Update, and Capital Raise

- TMK has acquired the right to earn a 50% interest in the Parta Licence, covering 1,155km² in a proven oil and gas province, onshore Romania
- TMK will fund the first US\$1.5 million of a new 3D seismic program to complete the farm-in
- Partner and licence operator ADX Energy (ASX:ADX) recently finalised an agreement with Acoustic Geophysical Services Ltd to carry out the acquisition of approximately 100 km² of 3D and 28 linear km of 2D seismic, now expected to commence mid 2020
- Acoustic Geophysical Services is a subsidiary of the Viking Group which has extensive experience in Central Europe, especially in the Pannonian Basin where the Parta Block is located
- The 3D seismic is likely to generate high quality targets with multiple stacked oil and gas pay zones (less than 2,500m depth), with intent to drill several targets in 2H 2020
- Recent track record of high success rates by other companies drilling on new 3D seismic in the province
- ADX Energy recently drilled an adjacent appraisal well testing analogue targets, and have confirmed a significant gas and condensate discovery (based on logs)
- TMK completed a rights issue capital raise in October 2019, and a placement in January 2020, raising a total of approximately A\$1.98 million before costs - the lead manager for the placement was Sydney based Peloton Capital Pty Ltd (AFSL 406040)
- TMK has ~A\$3.0 million of working capital at 31 January 2020 (US\$1.3 million towards farm-in remaining)

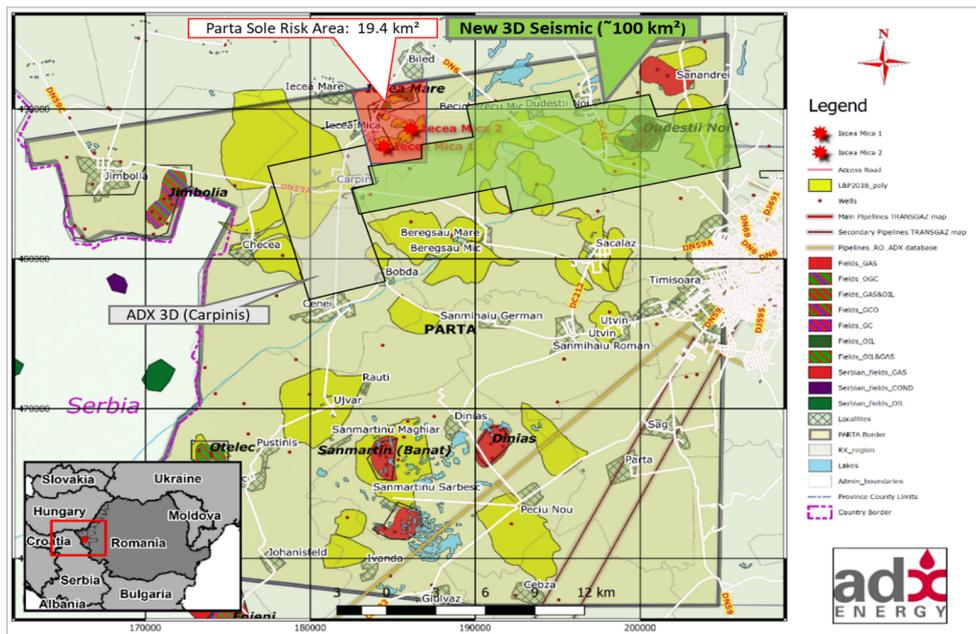


Figure 1: Map of the Parta Licence area and proposed new 3D seismic area
Image courtesy of ADX Energy (Farm-in Partner)

Parta Project Farm-in Onshore Romania

NB: For further detail, please see the TMK ASX announcements of 16 August 2019, and 4 September 2019.

Parta Energy has entered into a farm-in agreement with ADX Energy Panonia Srl (ADX Panonia) under which it will earn a 50% interest in the Parta Licence excluding a small sole risk area. To complete the farm-in Parta Energy must pay US\$1.5 million (of which US\$200,000 has been paid) towards an agreed work program and budget which will fund approximately 100km² of 3D seismic. Upon completion of the farm-in, Parta Energy will hold its 50% participating interest under a JOA, with ADX Panonia as operator. ADX Panonia is a subsidiary of ADX Energy Ltd (ADX Energy).

Oil and Gas in Romania

Romania is one of the most hydrocarbon rich countries in Europe, with a long history of oil and gas production.

Romania is considered underexplored, largely due to all oil and gas rights being nationalised and held by the state oil company Petrom for over 60 years prior to 2004/05. With a single state-owned company holding all rights, exploitation of the in-country oil and gas opportunities was not maximised. Petrom used 2D seismic rather than 3D seismic for target identification, and drilled the larger or more obvious targets.

Romania has attractive fiscal terms, a fair and stable regulatory environment, and established infrastructure and industry service providers.

3D Seismic in the Pannonian

The Parta Licence is located in the Pannonian basin, one of the most prolific hydrocarbon provinces in Romania and Hungary.

The advent of 3D seismic technology has vastly improved the industry's ability to image the subsurface, and has resulted in better prospect identification and better resolution of prospects. This has typically increased the chance of success when prospects are drilled. The ability to identify more subtle traps in proven productive basins has achieved significant commercial outcomes for many operators globally.

The introduction of 3D seismic into the Pannonian basin has been instrumental in identifying new targets and has led to improved drilling success, as evidenced by local operators Aspect Energy, Horizon Energy, and Sandhill Petroleum.

Parta Energy Opportunity

Planned 3D seismic program

The planned 100km² of new 3D seismic in the Parta Licence is located as set out in Figure 1 above. The planned program covers a highly prospective area of the Parta Licence based upon current knowledge.

The operating partner, ADX Energy Ltd has finalised an agreement with Acoustic Geophysical Services Ltd (AGS) to carry out the seismic surveying program. Under the agreement with AGS, the company and its

partners will acquire approximately 100 km² of 3D and 28 linear km of 2D seismic, with the goal of identifying high quality drilling targets.

The Parta JV is aiming to drill the most prospective targets generated by the seismic program in 2H 2020. The expected drilling cost is approximately US\$3 million per well.

The Parta Licence area targets are relatively shallow (less than 2,500m) with multiple stacked oil and gas pay zones. They are located nearby to existing infrastructure, enabling low cost access to markets, and a clear path to commercialisation.

ADX Energy – nearby well

Partner and licence operator ADX Energy have recently drilled in the Sole Risk Area (as shown in Figure 1 above) which is adjacent to the Parta Licence area. Under the Farmin Agreement, Parta Energy will have access to the well logs from this drilling program. These results will assist in the interpretation of analogue targets in the Parta Licence area and enable direct correlation of the seismic.

The ADX Energy announcement dated 9 September 2019 confirmed a significant gas and condensate discovery (based on logs), with petrophysical results indicating a combined 2C Contingent Resource of 20bcf. ADX are currently planning for well production testing.

Existing Projects

West Klondike Well, Louisiana - (TMK 11.36% WI)

Tamaska participated in the drilling of the West Klondike discovery well in late 2012. The well commenced producing gas from the lower Nod Blan on 4 September 2014. The lower gas zones were produced and depleted, and the remaining unproduced zone was the Lario oil sand.

The Operator performed a small hydraulic frac in the Lario oil sand in 2017. Initial workover results were encouraging with over 100 bopd in short term testing, and the well was placed back on production on 17 April 2017. The field is producing intermittently, and sales occur once the tanks fill.

	June 2019 Quarter	September 2019 Quarter	December 2019 Quarter	March 2020 Quarter
	<i>Actual</i>	<i>Estimate*</i>	<i>Estimate*</i>	<i>Estimate*</i>
Net Produced Oil	20 bbls	20 bbls	20 bbls	10 bbls
Revenue net of sales tax and royalty	\$910	~\$900	~\$900	~\$450

**The Company is awaiting final sales off take figures from the Operator.*

Tenement Summary

NB: Detailed tenement information is in Schedule 1.

At 31 December 2019 the Company held the following interests in tenements:

Project	Percentage Interest	Number of Tenements
Fusselman Project	12.5%	7
West Klondike	11.36%	6

Capital Raising and Share Placement

During October 2019, TMK completed a pro-rata rights issue capital raise, on a 1:2 basis (1 new share for each 2 existing shares) at 0.6 cents per post-consolidation share to raise approximately \$1.47 million before costs.

During January 2020, TMK completed a placement of 85 million shares in the Company at 0.6 cents per share to raise \$510,000 before costs. The placement was made under the Company's 15% capacity, to sophisticated investors through Sydney based Peloton Capital Pty Ltd (AFSL 406040).

Under the terms of the placement, Peloton received 20 million options exercisable at 0.8 cents by 30 June 2021.

Board Changes

Mr Joseph Graham, and Mr Tim Wise were appointed as Directors of the Company effective 4 November 2019.

Non-Executive Director Mr Alexander Parks resigned from the Company effective 4 November 2019.

Cash Position

TMK has ~A\$3.0 million of working capital at 31 January 2020, which will be used towards funding an agreed work program and budget for the Parta Project (including the remaining US\$1.3 million farm-in commitment) and provide the Company with general working capital.

For and on behalf of the Board

Brett Lawrence
Managing Director
Tamaska Oil and Gas Limited

For further information, please contact:

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This announcement was authorised for release by:

*Brett Lawrence
Managing Director*

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

TAMASKA OIL AND GAS LIMITED

ABN

66 127 735 442

Quarter ended ("current quarter")

31 December 2019

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	(32)	(67)
(e) administration and corporate costs	(88)	(132)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	10
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	(119)	(189)

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	1,470	1,470
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	-	-
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	1,470	1,470

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,556	1,626
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(119)	(189)
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)	1,470	1,470
4.5	Effect of movement in exchange rates on cash held	(39)	(39)
4.6	Cash and cash equivalents at end of period	2,868	2,868

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	2,868	1,556
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)	2,868	1,556

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**

(32)

-

Consulting fees and directors' fees and expenses

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	-	-
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	2,000
9.2 Development	-
9.3 Production	6
9.4 Staff costs	45
9.5 Administration and corporate costs	30
9.6 Other (provide details if material)	
9.7 Total estimated cash outflows	2,081

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				

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:

Date: 31 January 2020

Print name: Brett Lawrence

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.

West Klondike Project

As at 31 December 2019, Tamaska has a 11.36% working interest in the following tenements in the West Klondike Prospect, located in Iberville Parish, Louisiana.

Lease Number
WK#1A
WK#1B
WK#1C
WK#2
WK#3A
WK#3B

Fusselman Project Tenements

As at 31 December 2019, Tamaska has a 12.5% working interest in the following tenements in the Clayton Johnson #3F well, located in Borden County, Texas.

Tenement Location
Northeast Quarter of Section 5, All in Block 32 T-4-N, T&P Railroad Co.
Northeast Quarter of Section 5, All in Block 32 T-4-N, T&P Railroad Co.
Northeast Quarter of Section 5, All in Block 32 T-4-N, T&P Railroad Co.
Northeast Quarter of Section 5, All in Block 32 T-4-N, T&P Railroad Co.
Northeast Quarter of Section 5, All in Block 32 T-4-N, T&P Railroad Co.
Northeast Quarter of Section 5, All in Block 32 T-4-N, T&P Railroad Co.
Northeast Quarter of Section 5, All in Block 32 T-4-N, T&P Railroad Co.