

ASX ANNOUNCEMENT

ASX: GAL

21 July 2015

REPORT FOR THE QUARTER ENDED 30 JUNE 2015

EVENTS

- **Galicia progresses the acquisition of TV2U Worldwide Pty Ltd, a technology company providing a unique complete end to end digital media service (www.tv2u.com)**
- **Capital Raising of \$6 million proposed via a prospectus issue and ASX re-compliance**
- **Exit from Poland and Ukraine**

ACQUISITION OF TV2U WORLDWIDE PTY LTD

As announced on 3 June 2015, Galicia Energy Corporation Limited (GAL or the Company) has entered into a binding Heads of Agreement to acquire 100% of the issued capital of TV2U Worldwide Pty Ltd (TV2U), a leading digital content enabler and technology provider to the media, entertainment and telecommunications industries (Acquisition).

The Acquisition is a strategic move to diversify and expand the Company's business to deliver best of breed OTT (Over the Top) and IPTV (Internet Protocol Television) information and entertainment services to any screen, fixed or mobile, and simultaneously utilise its IP protected market leading analytical capabilities.

As part of the Acquisition, the Company will complete a Capital Raising under a full form prospectus to raise a minimum of \$6 million at a price not less than \$0.02 per share. Funds will be used to enable the Company to re-comply with the new listing requirements in the ASX Listing Rules and to support its growth strategy post completion of the Acquisition.

The Company will dispatch a Notice of Meeting to seek shareholder approval for the Acquisition in due course.

About TV2U

TV2U is a pioneer in innovative technologies and business concepts, empowering customers to increase profitability by generating global revenue through cost-effective cloud-based interactive OTT/IPTV managed services, or as a physically deployed solution at the operator's facility.

TV2U's intelligent Video Accessible Network (IVAN) is the enabler for content monetisation to multiple consumption devices with features including: on-the-fly repackaging, real-time analytics, and real time targeted advertising by device, location or individual consumer.

ASX ANNOUNCEMENT

ASX: GAL

21 July 2015

TV2U's unique technology enables its partners to leverage increased revenue from its existing subscriber base, attract new subscribers and significantly grow advertising revenue.

TV2U is headquartered in the UK with regional offices in North America, Hong Kong, Singapore, Indonesia, and Australia. TV2U also has local global representation through regional partners. For more information, please visit: www.tv2u.com.

POLAND AND UKRAINE

During the quarter, the Company reached agreement to sell the Bieszczady group of leases in Poland. The sale resulted in a relatively nominal return to the Company, but relieved the Company from future and historical work commitments on the leases.

In addition, due to geopolitical instability and general decline of the world's E & P sector, the Company has withdrawn from its interest in the Limnytska Licence in Western Ukraine, selling the holding company that owns the licence back to one of the original vendors. This releases the Company from all future expenditure commitments in relation to the licence.

The exit from the assets in Poland and the Ukraine form part of the Company's strategy to move into the technology sector.

CORPORATE

During the quarter, the Company completed the placement of shortfall shares under its Rights Issue offer to raise \$2,075,928 (before costs). On 20 February 2015, \$303,266 was raised through the issue of 60,653,206 shares to existing shareholders who subscribed for entitlements under the offer. The Company raised a further \$1,772,662 (before costs) through the placement of the 354,532,400 shortfall shares at \$0.005 per share.

In April 2015, the Company issued 42,708,333 shares at an issue price of \$0.00576 per share to professional and sophisticated investors under its 10% Placement Capacity under listing rule 7.1A to raise \$246,000 (before costs). In addition, the Company issued 2,142,857 shares at a deemed issue price of \$0.0077 per share, and 617,284 shares at a deemed issue price of \$0.0081 cents per share to Non-Executive Directors in lieu of Directors fees owing under the Company's Director Share Plan.

On 30 June 2015, 76,853,152 Listed Options exercisable at \$0.08 lapsed unexercised.

CASH

At the end of 30 June 2015, the Company had a closing cash balance of A\$1,669,739.

ASX ANNOUNCEMENT

ASX: GAL

21 July 2015

TENEMENT REGISTER

Name	Location	Area	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
HELD					
Limnytska Licence	Western Ukraine	172km ²	Granted	100%	Nil
Bieszczady Project	South-East Poland	3,546km ²	Granted	24%	24%
ACQUIRED					
N/A					
DISPOSED					
N/A					

The Company has no beneficial interests in any farm-in or farm-out arrangements.

Contacts

Investor Enquiries

Daniel Fraser
Corporate Adviser
T: +61 439 943 067
E: dfraser@merchantcorporate.com.au

Galicia Energy Corporation Ltd

Ben Knowles
Walbrook Investor Relations Pty Ltd
T: + 61 426 277 760
E: Ben.Knowles@walbrookir.com.au

TV2U

Remus Hua
Executive Director
T: +61 435 948 280
E: remus@tv2u.com

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, 01/05/2013

Name of entity

Galicia Energy Corporation Limited

ABN

73 110 184 355

Quarter ended ("current quarter")

30 June 2015

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter 30-Jun-15 \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation	(166)	(1,553)
(b) development	-	-
(c) production	-	-
(d) administration	(110)	(1,374)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	7	23
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other – Capitalised Acquisition Costs	-	(610)
Net Operating Cash Flows	(269)	(3,514)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	(510)	(510)
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	(510)	(510)

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(779)	(4,024)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	2,019	2,928
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	(93)	(264)
	Net financing cash flows	1,926	2,664
	Net increase (decrease) in cash held	1,147	(1,360)
1.20	Cash at beginning of quarter/year to date	530	3,037
1.21	Exchange rate adjustments to item 1.20	(7)	(7)
1.22	Cash at end of quarter	1,670	1,670

Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities

	Current quarter \$A'000	
1.23	Aggregate amount of payments to the parties included in item 1.2	19
1.24	Aggregate amount of loans to the parties included in item 1.10	Nil

1.25 Explanation necessary for an understanding of the transactions

1.23 – All transactions involving Directors and associates were on normal commercial terms

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

n/a

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

n/a

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	-
4.2 Development	-
4.3 Production	-
4.4 Administration	150
Total	150

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	1,670	530
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	1,670	530

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed Limnytska Licence – Western Ukraine	100%	100%	Nil
6.2	Interests in mining tenements and petroleum tenements acquired or increased n/a			

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3)	Amount paid up per security (see note 3)
7.1	Preference securities (description)			
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions			
7.3	*Ordinary securities	761,938,681	761,938,681	
7.4	Changes during quarter (a) Increases through issues: (i) Shares Issued Under Rights Issue Shortfall (ii) Shares issued as consideration for placing Shortfall (iii) Shares issued pursuant to Director Share Plan (iv) Shares issued under 10% Placement Capacity	354,532,400 93,691,773 2,142,857 617,284 42,708,333	354,532,400 93,691,773 2,142,857 617,284 42,708,333	\$0.005 Nil \$0.0077 \$0.0081 \$0.00576
7.5	*Convertible debt securities (description)			
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted			

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

7.7	Options <i>(description and conversion factor)</i>			Exercise Price	Expiry Date
	Promoter Options; no vesting period	5,882,362			29/02/2016
	Consideration Options; no vesting period	2,000,000		\$0.17	29/02/2016
	Listed Options			\$0.17	
7.8	Issued during quarter				
	Listed Option (Entitlement Issue)				
	Listed Options (Placement)				
7.9	Exercised during quarter				
7.10	Expired during quarter	76,853,152		\$0.08	30/06/2015
7.11	Performance Rights; <i>subject to vesting conditions</i>	12,000,000			
7.12	Debentures <i>(totals only)</i>				
7.13	Unsecured notes <i>(totals only)</i>				

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.



21 July 2015

Sign here:Date:
(Company Secretary)

Sarah Smith

Print name:

+ See chapter 19 for defined terms.

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 wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 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.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

== == == == ==