



30 October 2015

Company Announcements
Australian Securities Exchange Limited
Level 4, 20 Bridge Street
Sydney NSW 2000

ASX Code: BUR

Quarterly Activities Report

Quarter ending 30th September 2015

The Board of Burleson Energy Limited (BUR) is pleased to provide the following update on the activities of the Company in the quarter ending 30th September 2015.

Activity Overview

- Equity capital raisings provide \$1.36 million of new funding.
- New directors appointed.
- BUR well positioned to seek new projects to enhance corporate value.
- Steady oil and gas production from existing wells.
- Cash at bank at 30 September 2015 was \$593k, prior to proceeds of Rights Issue and additional Placement.

Equity Capital Raising

On 16 September 2015, Burleson announced a capital raising which secured \$1.26 million of additional funding for the Company. The announced capital raising consisted of a Share Placement to raise \$210,444 and a Rights Issue to raise \$1.05 million.

The Placement was made to institutional and sophisticated investors and was completed on 16 September 2015. A total of 105,222,285 shares were issued under the Placement, representing 25% of the Company's issued capital. The issue price of the Placement Shares was 0.2cents per share which equals the last closing price on Thursday, 10th September 2015.

Burleson has also completed a 1:1 pro rata renounceable Rights Issue of 526,111,443 fully paid ordinary shares to raise \$1,052,222. The issue price of the new shares under the Rights Issue was 0.2 cents each. The Company lodged a prospectus for the Offer (Prospectus) with ASIC and the ASX on 18 September 2015 and the Rights Issue was completed on 20 October 2015.

On 23 October 2015, Burleson completed a further Placement of 47,777,116 shares at an issue price of 0.2 cents per share, raising an additional \$95,554 of funds. The two Placements and Rights Issue raised a total of \$1.36 million, thereby effectively recapitalising the Company.

The proceeds of the equity capital raisings will be to maintain BUR's existing oil and gas assets in good standing, evaluate alternative investment opportunities, pay the transaction costs of the equity issues and provide additional working capital.

Board Changes

Subsequent to the end of the quarter, Mr Peter Wall and Mr Andrew Bald were appointed directors of BUR. At the same time, Dr Andrew Kugler and Mr Alex Sundich resigned as directors. Mr Sundich will continue in his role as Company Secretary.

Details of the background and experience of Mr Wall and Mr Bald were contained in the Company's ASX release of 27 October 2015. They bring strong M&A and project evaluation skills to BUR, which is important as the Company continues the process of evaluating new projects and opportunities.

We wish to thank Andy Kugler and Alex Sundich for their hard work and dedication to BUR over many years. Andy was a founding director and shareholder of the Company going back to 2006 and has been instrumental in leading the oil and gas operating activities of BUR since that time. We wish both of them all the best in their future endeavours.

Strategy

Following the equity capital raising and Board changes, BUR is now well positioned to seek new projects to enhance corporate value. During the September quarter, the Board reviewed a number of assets and projects and continues to assess new opportunities as and when they are presented.

During the quarter, the Company also continued its evaluation of the results from its oil and gas operations and potential strategies to unlock value from these assets.

Producing Wells

During the September quarter, oil and gas production from BUR's wells was solid. However, low oil and gas prices limited the cash flow derived from these operations.

There was no change to BUR's ownership interests in its producing wells during the September 2015 quarter.

+ See chapter 19 for defined terms.

Quarterly Production

Gross Total Production for the quarter ended 30th September 2015 from each of the Company's wells that were in production is summarised in the table below.

Well	Gas		Condensate		Production Days	
	Total mcf	Avg mcf p.d.	Total bbls	Avg bbls p.d.	Lost	Producing
Joann #1	23,945	260	852	9	0	92
Truchard #1	0	0	0	0	92	0
Heintschel #1	0	0	0	0	92	0
Heintschel #2	9,446	270	155	4	57	35
Truchard #2H	49,513	538	1,226	13	0	92
Truchard #3	29,604	322	621	7	0	92
Totals for Qtr	112,508	1,390	2,854	33		

Working Interests

As at 30th September 2015, Burleson held the following ownership (working) interests in six producing oil and gas wells in South Texas, USA (**no changes in the Quarter**):

Well Ownership Percentages	As at 30 th September 2015
Joann #1	39.4%
Heintschel #1	38.0%
Heintschel #2	38.0%
D. Truchard #1	38.0%
Truchard #2H	50.0%
Truchard #3	50.0%

Cash at hand

As at 30th September 2015, the Company had \$593k in the bank. This is before the proceeds of the Rights Issue and additional Placement completed after the end of the quarter which, as noted above, raised proceeds of \$1,052,222 and \$95,554, respectively.

+ See chapter 19 for defined terms.

Gross & Net Acreage

Burleson holds oil and gas lease rights which are negotiated with individual land owners in the areas it operates, being South Texas. Individual lease rights are acquired, renewed or relinquished regularly and in the ordinary course of business. As at 30th September 2015, Burleson's gross and net acres under lease) and are as follows:

	As at 30 th Sept. 2015	
Gross Acres	3,183	down 359
Net Acres	1,628	down 136
Burleson's Average Interest	51%	

New Farm-in / Farm-out agreements

During the September 2015 quarter Burleson did not enter into any farm-in or farm-out agreements.

For further information please contact:

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Competent Person Statement:

The information in this report that relates to oil and gas exploration results and hydrocarbon resources is based on information verified by Mr Michael Sandy BSc. (Hons) (Melbourne University), who is a petroleum geologist and a member of the American Association of Petroleum Geologists (AAPG). Mr Sandy is a Director of, and consultant to, the Company. Mr Sandy has more than thirty five years' experience in this discipline and he consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

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