

**WHL Energy Ltd**

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[www.whlenergy.com](http://www.whlenergy.com)**ASX/MEDIA RELEASE 30 OCTOBER 2015**

## **WHL ENERGY SEPTEMBER 2015 QUARTERLY ACTIVITIES REPORT**

Australian energy company WHL Energy Limited (**ASX: WHN**) ("**WHL Energy**" or "**the Company**") provides the following report on its activities and operations for the quarter ended 30 September 2015.

### **Seychelles (WHN: 25% Non-Operator)**

The Operator, Ophir Energy Plc, continued to finalise its interpretation of the Junon 3D seismic survey PreSDM data and its evaluation of the prospectivity of the Seychelles acreage.

Ophir have until 31 December 2015 to elect whether to withdraw from the farm-in agreement or exercise the option to fund the acquisition of a further 1,000 km<sup>2</sup> of 3D seismic and fund the costs of an exploration well. A decision is expected during the course of the December quarter.

### **Australia – VIC/P67 (La Bella) Permit (WHN- 100% Operator)**

An application for an Above Work Program Variation and Suspension and Extension was made to the National Offshore Petroleum Titles Administrator (NOPATA) in May 2015 and was awarded on 19 August 2015. The above work program variation acknowledges the Simultaneous Inversion processing already completed and the requirement for PreSDM reprocessing, while the 12 month Suspension and Extension to Year 3 will provide time for completion of the PreSDM reprocessing, interpretation and well planning for drilling. Permit Year 3 will end on 3 August 2016 and the permit term will end on 3 August 2019.

WHL has re-initiated discussions with a number of 3rd parties who may be interested in a potential farm-in to the VIC/P67 Permit and the La Bella gas discovery.

### **Corporate**

During the quarter the Company finalised receipt of \$2m in convertible note proceeds, completed a placement to raise \$77,781 in working capital, and received shareholder approval on 31 July 2015 for the issue of 2,000,000,000 fully paid ordinary shares upon the conversion of the convertible notes, the issue of 350,000,000 listed options and the issue of shares to satisfy certain existing liabilities.

The Company lodged a rights issue prospectus on 14 August 2015 for a non-renounceable entitlement issue of one (1) Share for every one (1) Share held by those Shareholders registered at the Record Date at an issue price of \$0.001 per Share together with one (1) New Option (exercisable at \$0.002 each on or before 30 June 2018) for every four (4) Shares issued at an issue price of \$0.001 per New Option to raise up to approximately \$3,040,017 (based on the number of Shares on issue as at the date of the Prospectus).

The rights issue closed on Thursday 3 September 2015. Total applications for 151,432,647 New Shares and 37,858,095 New Options raising gross proceeds of \$189,290.74 were received. The Directors of the Company reserve the right to issue the Shortfall Securities, being 2,280,581,019 shares and 570,145,321 options to raise up to \$2,850,726 before costs at their absolute discretion.

The Company had \$638,000 in cash reserves at the end of the quarter.

Ends

## **FURTHER INFORMATION**

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### **About WHL Energy Limited**

ASX-listed WHL Energy Ltd (ASX: WHN) is an oil and gas exploration Company focussed on East Africa and Australia.

WHL Energy holds a 12,856 km<sup>2</sup> exploration area offshore Seychelles, at 25% equity. A world class exploration portfolio and new exploration concepts are being matured in the acreage. WHL Energy has mapped a prospect and lead inventory containing at least 18 features. The Company farmed in proven East Africa explorer, Ophir Energy plc as Operator of the Block.

The high graded Junon leads are being matured for drilling with a 1,500 km<sup>2</sup> 3D seismic survey completed in July 2014. Additional new play concepts are being developed. Most structures identified to date are in < 50 m water with drilling targets at < 2000m depth, allowing for low cost drilling with a jack up rig.

WHL Energy also holds 100% equity in Exploration Permit VIC/P67 in the offshore Otway Basin, approximately 200 km WSW of Melbourne off the Victorian coastline. VIC/P67 contains the undeveloped La Bella gas field in proximity to the Victorian gas market, and several nearby exploration prospects. The La Bella 3D seismic survey was acquired in late 2013 to appraise the La Bella field and also firm up the exploration prospects. Initial results of the 3D seismic survey are encouraging and have identified structurally conformable amplitude anomalies associated with several of the key prospects.

## Tenement Summary – 30 September 2015

| <b>1. TENEMENTS HELD</b>  |                 |                           |   |                                   |
|---------------------------|-----------------|---------------------------|---|-----------------------------------|
| <b>Tenement Reference</b> | <b>Location</b> | <b>Nature of interest</b> | <b>Interest at beginning of quarter</b> | <b>Interest at end of quarter</b> |
| VIC/P67                   | Australia       | Operator                  | 100%                                    | 100%                              |
| Seychelles Joint Venture  | Seychelles      | Non-Operator              | 25%                                     | 25%                               |

| <b>2. TENEMENTS ACQUIRED/DISPOSED</b> |                 |                           |   |                                   |
|---------------------------------------|-----------------|---------------------------|---|-----------------------------------|
| <b>Tenement Reference</b>             | <b>Location</b> | <b>Nature of interest</b> | <b>Interest at beginning of quarter</b> | <b>Interest at end of quarter</b> |
| <b>ACQUIRED</b><br>Nil                |                 |                           |   |                                   |
| <b>DISPOSED</b><br>Nil                |                 |                           |   |                                   |

| <b>3. BENEFICIAL PERCENTAGE INTERESTS HELD IN FARM-IN OR FARM-OUT AGREEMENTS</b> |                 |                           |   |                                   |
|--|-----------------|---------------------------|---|-----------------------------------|
| <b>Tenement Reference</b>  | <b>Location</b> | <b>Nature of interest</b> | <b>Interest at beginning of quarter</b> | <b>Interest at end of quarter</b> |
| Seychelles Joint Venture   | Seychelles      | Non-operator              | 25%                                     | 25%                               |

| <b>4. BENEFICIAL PERCENTAGE INTERESTS HELD IN FARM-IN OR FARM-OUT AGREEMENTS ACQUIRED OR DISPOSED</b> |                 |                           |   |                                   |
|---|-----------------|---------------------------|---|-----------------------------------|
| <b>Tenement Reference</b>   | <b>Location</b> | <b>Nature of interest</b> | <b>Interest at beginning of quarter</b> | <b>Interest at end of quarter</b> |
| <b>ACQUIRED</b><br>Nil  |                 |                           |   |                                   |
| <b>DISPOSED</b><br>Nil  |                 |                           |   |                                   |

## 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

WHL Energy Limited

ABN

25 113 326 524

Quarter ended ("current quarter")

30 September 2015

### Consolidated statement of cash flows

| Cash flows related to operating activities        |  | Current quarter<br>\$A'000 | Year to date (3<br>months)<br>\$A'000 |
|---|--|----------------------------|---------------------------------------|
| 1.1   | Receipts from product sales and related debtors            | -                          | -                                     |
| 1.2   | Payments for (a) exploration & evaluation                  | (241)                      | (241)                                 |
|   | (b) development  | -                          | -                                     |
|   | (c) production   | -                          | -                                     |
|   | (d) administration*  | (418)                      | (418)                                 |
| 1.3   | Dividends received   | -                          | -                                     |
| 1.4   | Interest and other items of a similar nature received      | 2                          | 2                                     |
| 1.5   | Interest and other costs of finance paid                   | -                          | -                                     |
| 1.6   | Income taxes paid  | -                          | -                                     |
| 1.7   | Other (GST)  | (52)                       | (52)                                  |
|   | <b>Net Operating Cash Flows</b>                            | <b>(709)</b>               | <b>(709)</b>                          |
| <b>Cash flows related to investing activities</b> |  |                            |                                       |
| 1.8   | Payment for purchases of: (a) prospects                    | -                          | -                                     |
|   | (b) (i) equity investments                                 | -                          | -                                     |
|   | (b) (ii) 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                                    | -                          | -                                     |
| 1.11  | Loans repaid by other entities                             | -                          | -                                     |
| 1.12  | Other (stamp duty)   | -                          | -                                     |
|   | <b>Net investing cash flows</b>                            | <b>-</b>                   | <b>-</b>                              |
| 1.13  | Total operating and investing cash flows (carried forward) | <b>(709)</b>               | <b>(709)</b>                          |

+ 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) | (709) | (709) |
|      | <b>Cash flows related to financing activities</b>          |       |       |
| 1.14 | Proceeds from issues of shares, options, etc.              | 267   | 267   |
| 1.15 | Oversubscriptions  | 141   | 141   |
| 1.16 | Proceeds from borrowings                                   | -     | -     |
| 1.17 | Repayment of borrowings                                    | (15)  | (15)  |
| 1.18 | Dividends paid   | -     | -     |
| 1.19 | Repayment of oversubscriptions                             | (277) | (277) |
| 1.20 | Other (share issue costs)                                  |       |       |
|      | <b>Net financing cash flows</b>                            | 116   | 116   |
|      | <b>Net increase (decrease) in cash held</b>                | (592) | (592) |
| 1.20 | Cash at beginning of quarter/year to date                  | 1,230 | 1,230 |
| 1.21 | Exchange rate adjustments to item 1.20                     | -     | -     |
| 1.22 | <b>Cash at end of quarter</b>                              | 638   | 638   |

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

|      |  |                            |
|------|--|----------------------------|
|      |  | Current quarter<br>\$A'000 |
| 1.23 | Aggregate amount of payments to the parties included in item 1.2 | -                          |
| 1.24 | Aggregate amount of loans to the parties included in item 1.10   | -                          |
| 1.25 | Explanation necessary for an understanding of the transactions   |                            |
|      | Not applicable   |                            |

### 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 | As a result of shareholder approval received at a meeting held 31 July 2015, the Company issued 222,160,000 shares at a deemed issued price of \$0.001 per share to satisfy certain existing liabilities of the Company. |
| 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.

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

**Financing facilities available**

Add notes as necessary for an understanding of the position.

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

**Estimated cash outflows for next quarter**

|                                | \$A'000    |
|--------------------------------|------------|
| 4.1 Exploration and evaluation | 200        |
| 4.2 Development                | -          |
| 4.3 Production                 | -          |
| 4.4 Administration             | 100        |
| <b>Total</b>                   | <b>300</b> |

**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<br>\$A'000 | Previous quarter<br>\$A'000 |
|---|----------------------------|-----------------------------|
| 5.1 Cash on hand and at bank  | 638                        | 1,230                       |
| 5.2 Deposits at call  | -                          | -                           |
| 5.3 Bank overdraft  | -                          | -                           |
| 5.4 Other (provide details)   | -                          | -                           |
| <b>Total: cash at end of quarter (item 1.22)</b>  | <b>638</b>                 | <b>1,230</b>                |

+ See chapter 19 for defined terms.

## 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 |                               |                                  |                            |
| 6.2 | Interests in mining tenements and petroleum tenements acquired or increased           |                               |                                  |                            |

## 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) (cents) | Amount paid up per security (see note 3) (cents) |
|-----|--|------------------|---|--|
| 7.1 | <b>Preference securities</b><br>(description)  |                  |   |  |
| 7.2 | Changes during quarter<br>(a) Increases through issues<br>(b) Decreases through returns of capital, buy-backs, redemptions |                  |   |  |
| 7.3 | <b>*Ordinary securities</b>  | 2,583,446,313    | 2,583,446,313                                 | Fully Paid Ordinary                              |
| 7.4 | Changes during quarter<br>(a) Increases through issues<br>(b) Decreases through returns of capital, buy-backs              | a) 2,411,977,219 | a) 2,411,977,219                              |  |
| 7.5 | <b>*Convertible debt securities</b><br>(description)   | Nil              |   |  |

+ See chapter 19 for defined terms.

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

|      |   |  |                           |   |   |
|------|---|--|---------------------------|---|---|
| 7.6  | Changes during quarter<br>(a) Increases through issues<br>(b) Decreases through securities matured, converted | a) nil<br><br>b) 2,000,000.<br>Converted into 2,000,000,000 fully paid ordinary shares on 31 July 2015 |                           |   |   |
| 7.7  | <b>Options</b><br>(description and conversion factor)   | 3,638,715<br>19,300,000<br>350,000,000<br>37,858,095   | -<br>-<br>-<br>37,858,095 | <b>Exercise Price</b><br>\$0.018<br>\$0.014<br>\$0.004<br>\$0.002 | <b>Expiry Date</b><br>30/11/2016<br>3/12/2017<br>31/7/2018<br>30/6/2018 |
| 7.8  | Issued during quarter   | 350,000,000<br>37,858,095  | -<br>37,858,095           | \$0.004<br>\$0.002  | 31/7/2018<br>30/6/2018  |
| 7.9  | Exercised during quarter  |  |                           |   |   |
| 7.10 | Expired during quarter  |  |                           |   |   |
| 7.11 | <b>Debentures</b><br>(totals only)  |  |                           |   |   |
| 7.12 | <b>Unsecured notes</b> (totals only)  |  |                           |   |   |

## 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 ~~/does not\* (delete one)~~ give a true and fair view of the matters disclosed.

30 October 2015

Sign here: .....

Date: .....

(Director/Company secretary)

Steven Wood

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 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

+ See chapter 19 for defined terms.



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.

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