RAMPART ENERGY LIMITED

AND CONTROLLED ENTITIES

ABN 86 115 229 984

ANNUAL REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2014

COMPANY INFORMATION

Directors	
Gavin William Harper	Chairman, Executive Director
Iain Peter Smith	Executive Director
Conrad Dante Todd	Non-Executive Director
Secretary	
Rory James McGoldrick	Company Secretary
Registered Office	79 Angas Street, Adelaide, South Australia 5000, Australia Ph: 08 8223 1681 Fax: 08 8223 1685
Auditors	
Grant Thornton Audit Pty Ltd	Level 1, 67 Greenhill Road Wayville, South Australia 5034, Australia
Share Registry	
Computershare Investor Services Pty Ltd	Yarra Falls 452 Johnston Street, Abbotsford, Victoria 3067, Australia Ph: 03 9415 5000

Securities Exchange Listing
Australian Securities Exchange (ASX) – Code RTD

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CHAIRMAN LETTER
30 SEPTEMBER 2014

Dear Fellow Shareholders

As the Chairman of your Company's Board of Directors, I am pleased to present to you the Company's Annual Report for the year ended 30 September 2014.

Over the past few months, up to the time of writing, we have seen a massive reduction in oil prices, falling from over $100/barrel in July 2014, to $57 for WTI Crude. Not surprisingly, this fall in price has had wide impacts on the oil and gas industry, manifested through reductions in capital spending and in the share price of industry participants. Market sentiment towards industry risk, especially at the junior end of the market has been very negative. Together with factors specific to our projects in Alaska, this industry sentiment has combined to lead to significant loss of market value in your company.

Over the course of this year the Board and executive management of Rampart Energy has completely changed, and we now have a team in place of industry experts with appropriate technical and commercial experience. The board has been working hard since mid 2014 to develop a means to restore value to the Alaskan projects, further to the postponement of drilling which was originally scheduled for the 2014/2015 Alaskan winter drilling season. This work is ongoing and is subject to litigation between the parties, and it is therefore not appropriate to comment further at this time. We continue to work the Alaskan issues and will update you as progress is achieved.

Meanwhile your Board have been actively seeking new opportunities in order to begin to restore value to the Company. We were delighted to secure the rights to an 80% interest in block WA 507-P, located offshore Western Australia. This block was awarded in the latest Western Australian government licensing round, and is located in a prolific hydrocarbon producing area. We are currently developing plans for the block and will provide further updates throughout the coming year. Importantly, the commercial terms of the project have been structured in such a way that the entry cost is low, with minimal future commitments.

We are assessing other new opportunities with the aim of building a diverse portfolio of high-potential assets, with varying risk profiles in order to balance portfolio risk and drive value growth for shareholders. Given the current challenges being faced by the industry at large, it is crucial that we stick to a strategy of minimising entry cost and commitments, while securing exposure for shareholders to a number of potential company-making assets.

In parallel with the work on Alaska and new opportunities, we have also been reducing the Company's corporate overheads and streamlining services and resources. This is in order to ensure that the maximum possible amount of company funds can be applied directly to the development of our projects – and creating shareholder value.

I would like to thank my fellow directors, the CFO and the Company Secretary for their hard work over the past year. We look forward to providing further updates to you as progress is made on the various initiatives currently underway to restore shareholder value.

Gavin Harper
Chairman
Perth, 23rd day of December 2014

DIRECTORS' REPORT
30 SEPTEMBER 2014

The Directors' present their report together with the Financial Report of Rampart Energy Ltd ("the Company") and of the Consolidated Entity, being the Company and its controlled entities ('the Consolidated Entity") for the financial year ended 30 September 2014.

Directors

The Directors of the Company at any time during and since the end of the financial year are:

Name	Position	Date appointed	Date resigned
Gavin Harper	Chairman–Executive	17 March 2014[(1)] [(2)]	-
Iain Smith	Executive Director	10 February 2014[(2)]	-
Conrad Todd	Non-Executive Director	02 July 2014	-
Torey Marshall	Managing Director	22 January 2010	02 July 2014
Dr Raymond Shaw	Non-Executive Director	22 January 2010[(1)]	01 June 2014
Malcolm Lucas-Smith	Non-Executive Director	23 April 2012	17 March 2014

(1) On 1 May 2014 Gavin Harper was appointed as Chairman following the resignation of Dr Raymond Shaw as Chairman.
(2) On 3 July 2014 Gavin Harper and Iain Smith were both appointed Executive Directors following Torey Marshall's resignation.

Directors held office for the entire period unless otherwise stated.

Information on Directors'

Gavin Harper –Executive Chairman (appointed 17 March 2014)

Experience and expertise
Mr Gavin Harper has over thirty nine years of experience in conventional and renewable energy industries. This has included a variety of operational and leadership roles with Chevron Corporation and, subsequently, directorships of renewable and conventional energy companies.

A large portion of his broad professional experience is derived from more than 25 years employment with the Chevron group of companies, including secondment to WAPET as Business Manager for the greater Gorgon Project. He has held various Business Manager and Project Management positions for major Chevron infrastructure builds across their worldwide upstream operations as well as managing new market opportunities, including two years as Gas Business Manager of Chevron Australia. He has particular strengths in business development strategies, corporate-government and other major stakeholder interactions in major project builds as well as working in complex business and joint venture environments. His last posting for Chevron was as Managing Director of ChevronTexaco International Gas Inc- Korea Branch involved in development of gas and power growth strategies in Korea.

More recently Gavin has been a director of a number of public listed and unlisted companies companies in the energy sector, In particular, Sino Gas and Energy Holdings, where he was Non-Executive Chairman until August this year and where he remains a non executive director of the recently included S&P/ASX 300 indexed company.

Gavin Harper holds a BA (Sociology/Anthropology) from the University of Kent and a Diploma Business Administration from the University of Strathclyde. He is a Member of the Australian Institute of Company Directors.

Special responsibilities
Chairman of Board of Directors

Information on Directors' (Continued)

Iain Smith – Executive Director (appointed 10 February 2014)

Experience and expertise
Originally a Petroleum Geophysicist, Mr Smith has 24 years experience of the upstream petroleum sector, in both technical and commercial roles within Australia and overseas. After a number of years within the New Ventures team of Premier Oil, Mr Smith spent ten years in sales and general management roles within the geophysical technology/services sector in the UK, Australia and India. He subsequently held commercial advisory roles within the Exploration/New Ventures and Browse LNG business units of Woodside Energy, before joining Neon Energy as Commercial Manager. Mr Smith was instrumental in the merger between Neon Energy Pty Ltd and Salinas Energy Ltd, and managed the farmout of Neon's high profile Vietnamese exploration assets to KrisEnergy Ltd and Eni SpA., and the recent sale of Neon's Californian assets.

Mr Smith holds an MSc in Petroleum Geology and Geophysics from Imperial College London, and a Graduate Diploma in Business Administration from the University of Western Australia.

Special responsibilities
Executive Director

Conrad Todd – Non-Executive Director (appointed 2 July 2014)

Experience and expertise
Mr Conrad Todd is a geoscientist with over thirty years of experience. This has included a variety of operational and leadership roles with international Exploration and Production Companies. He was exploration manager for Cooper Energyfrom 2004 ubtil 2010. He was also Exploration and development manager for Lundin in Malaysia, developing a 17,000 bopd offshore oil and gas field. Previously he was chief geophysicist and new ventures manager for LASMO in Indonesia and chief geophysicist for Triton Energy in Indonesia and Occidental in Oman.In addition to Mr Todd's technical skill, he bring valuable experience in the fields of resource certification, asset valuations and M&A advisory to the Company.

Mr Conrad Todd holds a holds a B.Sc (Hons) in Geology and M.Sc in Stratigraphy from the University of London. He is,a member of the American Association of Petroleum Geologists, the South East Asian Exploration Society, the Petroleum Exploration Society of Great Britain, The Petroleum Exploration Society of Australia and the Indonesian Petroleum Association..

Special responsibilities
Non-executive Director

Torey Marshall – Managing Director (resigned 2 July 2014)

Experience and expertise
Mr Torey Marshall is a geologist with broad based technical and business development experience in the minerals, petroleum and geothermal sectors. He has worked extensively in Australia, Africa, South & North America as an exploration geoscientist with a number of private and publicly listed companies in various roles. More recently he has been founding director in a number of private and public companies involved in operations in Africa, Latin America and Australia including Rampart Energy Limited where he has been Managing Director since January 2010.

Mr Marshall has a broad range of technical and commercial experience in junior publicly listed resource companies and holds a B.Sc (Hons) and M.Sc in Geology from the University of South Australia. Mr Marshall is a Chartered Professional Geologist and Member of the AusIMM and Associate Member of the American Association of Petroleum Geologists

Special responsibilities
Managing Director

Information on Directors' (Continued)

Dr Raymond Shaw – Non-Executive Director (resigned 1 June 2014)

Experience and expertise
Dr Raymond Shaw is a geologist and geophysicist with more than 30 years' experience in the resources and energy sectors including the oil, gas and coal industries. He has worked extensively throughout Australia and Asia in the private sector and has consulted extensively to industry, government, and international aid agencies on a variety of resource projects including the World Bank, Asia Development Bank and Ausaid. He was a part time consultant with the New South Wales Department of Mineral Resources for 7 years, providing input for petroleum exploration industry initiatives during the late 1990′s and early 2000's, and was a director of Hillgrove Gold Limited in the early 1990's.

Dr Shaw was founding Managing Director of Great Artesian Oil and Gas Limited and subsequently Managing Director of Bandanna Energy Limited from 2008 until 2012; and from 2010 to 2012 he was also a director of Wiggins Island Coal Export Terminal Stage 1 development at Gladstone. Dr Shaw was the Managing Director of Bandanna Energy Ltd from May 2007 to March 2012

Dr Shaw holds a B.Sc (Hon 1) and Ph.D from the University of Sydney and Dip Law (SAB). He is a member of the Australasian Institute of Mining and Metallurgy and the American Association of Petroleum Geologists.

He is also the Executive Chairman of ASX listed Red Gum Resources Ltd.

Special responsibilities
Non-executive Director

Malcolm Lucas-Smith – Non-Executive Director (resigned 17 March 2014) Company Secretary (resigned 10 October 2014).

Experience and expertise
Mal Lucas-Smith has over 40 years' experience in finance, executive and non executive management, property development, corporate secretarial and administrative services.

During that period he spent 12 years with State Bank of New South Wales and 18 years with the property finance and the property joint venture divisions of Australian Guarantee Corporation Limited (AGC), at the time a listed subsidiary of Westpac Bank.

Mal left AGC of his own accord in September 1987 to form a corporate services business and has since worked within and consulted to the corporate sector often assisting new start ups and existing operations proposing to list on the Australian Securities Exchange, and also providing local representative and registered office services for offshore entities.

He is also the Company Secretary of ASX listed company Red Gum Resources Limited.

Special responsibilities
Non-executive Director and Company Secretary

Information on Company Secretary

Rory McGoldrick – Company Secretary (appointed 1 September 2014).

Experience and expertise
Rory McGoldrick is a qualified lawyer with broad experience in Corporations Act and ASX Listing Rules, and corporate governance matters.

DIRECTORS' REPORT (CONTINUED)
30 SEPTEMBER 2014

Meetings of Directors

The number of meetings of the Company's Board of Directors and of each board committee held during the year ended 30 September 2014 and the number of meetings attended by each Director is as follows:

Director	Directors' Meetings	
	Attended	Held whilst in office
Gavin Harper	11	11
Conrad Todd	5	5
Iain Smith	13	13
Malcolm Lucas-Smith	7	7
Dr Raymond Shaw	22	22
Torey Marshall	20	22

The Company does not presently have any independent directors and accordingly cannot form a properly structured Audit Committee. Consequently all Audit Committee functions are handled by the full Board.

Directors' Interests

The relevant interest of each director in the securities of the Company as at the date of this report is set out below:

Number of shares owned or over which control is exercised:

Director	Opening at 1 October 2013(1)	Net changes during the year	Issued under ESOS	Closing at date of this report
Gavin Harper(2)	-	2,200,501	-	2,200,501
Iain Smith(4)	-	907,731	-	907,731
Conrad Todd(3)	-	1,000,000	-	1,000,000
Dr Raymond Shaw(5)	5,362,041	(5,362,041)	-	-
Torey Marshall(6)	8,646,054	(8,646,054)	-	-
Malcolm Lucas Smith(7)	300,000	(300,000)	-	-

Number of options owned or over which control is exercised

Director	Opening at 1 October 2013(1)	Net changes during the year	Issued under ESOS	Closing at date of this report
Gavin Harper(2)				
- Performance Rights	-	-	15,000,000	15,000,000
Conrad Todd(3)				
- Performance Rights	-	-	15,000,000	15,000,000
Iain Smith(4)				
- Performance Rights	-	-	15,000,000	15,000,000
- Unquoted expiring 30/9/16 ex $0.12	-	3,000,000	-	3,000,000
Dr Raymond Shaw(5)				
- Unquoted expiring 30/9/16 ex $0.12	1,666,667	(1,666,667)	-	-

Directors' Interests (continued)

Director		Opening at 1 October 2013(1)	Net changes during the year	Issued under ESOS	Closing at date of this report
Torey Marshall(6)					
-	Performance Rights	13,333,334	(13,333,334)	-	-
Malcolm Lucas Smith(7)					
-	unquoted expiring 31/1/14 ex $0.075	25,000	(25,000)	-	-
-	quoted expiring 31/1/16 ex $0.105	16,667	(16,667)	-	-
-	unquoted expiring 30/9/16 ex $0.12	1,666,667	(1,666,667)	-	-

(1) The securities re shown post consolidation of shares on the basis of basis 1:15 shares.

(2) Mr Gavin Harper was appointed as a director on 17 March 2014 holding 400,000 shares; 350,501 shares were purchased on-market on 4 May 2014 for $16,549.89; 250,000 shares were purchased on-market on 6 May 2014 for $9,529.95; 200,000 shares were purchased on-market on 12 June 2014 for $8,549.61; 1,000,000 shares were purchased on-market on 21 August 2014 for $9,039.61. On 17 October 2014, 15,000,000 Performance Rights were issued with shareholder approval at the meeting held on 8 October 2014.

(3) On 22 August 2014 1,000,000 shares were purchased by Mr Conrad Todd on-market for $10,029.95. On 17 October 2014, 15,000,000 Performance Rights at no consideration following shareholder approval at the 8 October 2014 general meeting.

(4) On 8 May 2014 3,000,000 Unquoted Options were purchased by Alyson Ann Bradley, wife of Iain Smith for $30.00 following shareholder approval on 15 April 2014; and 907,731 shares were purchased on-market on 8 May 2014 for $9,999.99. On 17 October 2014, 15,000,000 Performance Rights at no consideration following shareholder approval at the 8 October 2014 general meeting.

(5) On 8 May 2014 2,750,000 Unquoted Options were purchased by R & R Shaw ATF R & E Global Investments, a company controlled by Dr Raymond Shaw for $27.50 following shareholder approval on 15 April 2014. On 1 June 2014, Dr Raymond Shaw resigned as a director at which time he controlled:
- Direct interest in 16,667 ordinary shares and 1,666,667 Unquoted Options.
- Indirect Interest in 5,075,978 ordinary shares held by R & R Shaw ATF The Shaw Jones Super Fund.
- Indirect Interest in 269,397 ordinary shares and 2,750,000 Unquoted Options held by R & R Shaw ATF R & R Global Investments.

(6) On 17 June 2014 Mr Torey Marshall acquired 200,000 ordinary shares on-market for $8,200. On 2 July 2014, Mr Torey Marshall resigned as a director at which time he controlled:
- Direct interest in 211,508 ordinary shares and 13,333,334 Performance Rights, which expired on resignation)
- Indirect Interest in 8,634,546 ordinary shares held by T Marshall and R Marshall ATF Torey Marshall Family Trust.

(7) On 31 January 2014, 25,000 unquoted options expired unexcercised. On the 17 March 2014, Mr Malcolm Lucas Smith resigned as a director, at which time he controlled:
- Indirect Interest in 300,000 ordinary shares and 16,667 Unquoted Options ex $0.105 and 16,666,667 Unquoted Option ex $0.12 held by Flexible Investments Super Fund P/L ATF M Lucas-Smith Super Fund A/C.

Remuneration report (audited)

This report outlines the remuneration agreements in place for directors and executives of Rampart Energy Ltd. Further comments on the establishments and structure of Board Committees are made in the Statement of Corporate Governance at pages 72 to 83.

Rampart Energy Ltd received less than 0.5% "no" votes on its Remuneration Report for the financial year ending 30 September 2013. The Company received no specific feedback on its Remuneration Report at the Annual General Meeting.

Nomination & Remuneration Committee

Due to the size of the Company's operations and the present small number of Directors it will not be possible to properly constitute a Nomination & Remuneration Committee until additional Director(s) are appointed. All matters that would normally be the responsibility of a Nomination & Remuneration Committee are dealt with by the full board of Directors. The Chairman is responsible for the annual review of Directors remuneration.

Executive Compensation and Non-Executive Remuneration

The full Board of Directors sets remuneration policies and practices generally and makes specific recommendations on remuneration packages and other terms of employment for Executive Directors, other Senior Executives and Non-Executive Directors.

Executive remuneration and other terms of employment are reviewed annually having regard to performance against goals set at the start of the year, relevant comparative information and independent expert advice. Remuneration packages are inclusive of superannuation.

The Managing Director, Torey Marshall was employed on an annual contract, the initial contract commenced on 22 January 2010 until his resignation on 2 July 2014. His remuneration (including superannuation) consisted of a base annual salary of $300,000 per annum (effective 1 July 2013).

In addition, Torey was entitled to 13,333,334 (pre-consolidation 200,000,000) Performance Rights if certain performance hurdles are achieved. The rights lapsed following his resignation.

Since the resignation of Torey Marshall the two executive directors have taken on the executive responsibilities. New agreements were signed with all remaining board member in July 2014, a summary of the key term is set out below.

Mr Gavin Harper's on-going agreement between the Company and New Energy Consultants Pty Ltd (a company controlled by Mr Harper) commenced on 1 July 2014 and sets out the following remuneration and fees:

- non-executive annual fee of $60,000 per annum (including superannuation);
- executive chairman service fees of the lesser of $200 per hour or $1,500 per day; and
- additional fees that comprise of reimbursed expenses and a bonus and incentive package. Since the year end 15,000,000 performance rights were issues under the ESOS incentive package for no consideration (see below for performance criteria)

Mr Iain Smith's on-going agreement between the Company and Basis Commercial Pty Ltd (a company controlled by Mr Smith) commenced on 1 June 2014 and sets out the following remuneration and fees:

o non-executive annual fee of $40,000 per annum (including superannuation);
o executive service fees of the lesser of $200 per hour or $1,500 per day; and
o additional fees that comprise of reimbursed expenses and a bonus and incentive package. Since the year end 15,000,000 performance rights were issues under the ESOS incentive package for no consideration (see below for performance criteria)

Remuneration packages are set at levels that are intended to attract and retain executives capable of managing the Consolidated Entity's operations.

Remuneration report (continued)

Remuneration of Non-Executive Directors is determined by the Board within the maximum amount approved by shareholders from time to time.

Mr Conrad Todd's on-going agreement between the Company and The Trustee for Todd Family Trust (an entity controlled by Mr Todd) commenced on 2 July 2014 and sets out the following remuneration and fees:

- non-executive annual fee of $40,000 per annum (including superannuation);
- executive service fees of the lesser of $200 per hour or $1,500 per day; and
- additional fees that comprise of reimbursed expenses and a bonus and incentive package. Since the year end 15,000,000 performance rights were issues under the ESOS incentive package for no consideration (see below for performance criteria).

Employee Share Option Scheme ("ESOS")

The Company adopted an Employee Share Option Scheme ("ESOS") effective 23 February 2010. Under the ESOS, the Company may grant options to Company eligible employee to acquire securities to a maximum of 10% of the Company's total issued ordinary shares at the date of the grant. The fair value of share options granted is estimated using the Black-Scholes option pricing model.

Performance Rights
Commencement date: 1 July 2014
Expiry date: 30 June 2018
Vesting Hurdles:

(1) Subject to remaining in tenure as a director of the Company:
   - 5,000,000 to vest on 30 June 2015,
   - 5,000,000 to vest on 30 June 2016, and
   - 5,000,000 to vest on 30 June 2017 ("Tenure Vested Performance Rights").

(2) 5,000,000 Tenure Vested Performance Rights to convert to fully paid shares the Company's share price remains above 3.5 cents for five consecutive days prior to Expiry Date.

(3) 10,000,000 Tenure Vested Performance Rights to convert to fully paid shares the Company's share price remains above 5 cents for five consecutive days prior to Expiry Date – less any Performance Rights that may have converted under Hurdle 2.

(4) 15,000,000 Tenure Vested Performance Rights to convert to fully paid shares the Company's share price remains above 8 cents for five consecutive days prior to Expiry Date – less any Performance Rights that may have converted under Hurdles 2 and 3.

In the event that a bona fide offer acceptable to the Board and Shareholders is made to take over the Company (a change of control event) or a recipient is removed or suffers a permanent disability, all unvested Performance Rights will vest immediately and all unconverted Performance Rights will be converted to fully paid shares without the need for achievement of any of the Vesting Hurdles. All unconverted Performance Rights will lapse immediately in the event that the recipient resigns of his own choice.

Each Performance Right entitles the holder to one share for no cash consideration once the relevant performance hurdles have been met and the performance Rights have vested.

<u>Key Management Personnel Compensation</u>

The following table sets forth all annual and long term compensation for services in all capacities to the Consolidated Entity for the two most recently completed financial years, in respect of the individual(s) who were, at the end of the most recently completed financial year, acting as directors or executive officers.

DIRECTORS' REPORT (CONTINUED)
30 SEPTEMBER 2014

Remuneration report (continued)

Name and Position	Year	Salary(1)(2) $	Options and Rights (3) $	Superannuation Benefits $	Other Annual Compensation	Termination Benefits	Total $
G Harper(3) Executive Chairman (appointed 17 March 2014)	2013	-	-	-	-	-	-
Non-Executive Fees	2014	28,583	-	1,256	-	-	29,839
Executive Fees	2014	12,200	-	-	-	-	12,200
Total	**2014**	**40,783**	-	**1,256**	-	-	**42,039**
I Smith(4) Executive Director (appointed 10 February 2014)	2013	-	-	-	-	-	-
Non-Executive Fees	2014	24,320	-	1,324	-	-	25,644
Executive Fees	2014	59,199	-	-	-	-	59,199
Total	**2014**	**83,519**	-	**1,324**	-	-	**84,843**
C Todd(5) Non-Executive Director (appointed 2 July 2014)	2013	-	-	-	-	-	-
	2014	**35,313**	-	-	-	-	**35,313**
T Marshall(7) Managing Director (resigned 2 July 2014)	2013	245,978	33,333	14,741	-	-	294,052
	2014	**185,068**	**(33,333)**	**62,848**	37,848	80,057	**332,488**
Dr R Shaw(6) Non-executive Chairman (resigned 1 June 2014)	2013	-	20,000	1,452	-	-	21,452
	2014	**23,567**	-	**2,231**	-	-	**25,798**
M Lucas Smith(6)(8) Non-Executive Director (resigned 17 March 2014) and Company Secretary	2013	61,747	20,000	253	-	-	82,000
	2014	**73,865**	-	**776**	-	-	**74,641**
R McGoldrick Company Secretary (appointed 1 September 2014)	2013	-	-	-	-	-	-
	2014	**3,650**	-	-	-	-	**3,650**
Total	**2014**	**445,765**	**(33,333)**	**68,435**	**37,848**	**80,057**	**598,772**
	2013	307,725	73,333	16,446	-	-	397,504

Remuneration report (continued)

Notes:

(1) No cash bonuses were paid during the year.

(2) The following key personnel's unpaid fees (relating to fees accrued in 2013 and 2012 on a basis of $0.29 for every $1 accrued) that were paid in shares during the prior year.

	2013		
Name	Equivalent Consideration $	Shares issued (pre-consolidation) Number	Share price per share $
Torey Marshall	100,000	50,000,000	$0.002
Raymond Shaw	16,600	8,300,000	$0.002
Total	116,600	58,300,000	$0.002

On 22 May 2013 $27,822 of Torey Marshall's wages were paid in shares under his remuneration agreement. 10,326,871 shares were issued at a share price of $0.002699.

(3) Mr Gavin Harper's remuneration and fees (including superannuation) for the year comprised:
- non-executive annual fee of $29,839; and
- executive chairman service fees of $12,200.

(4) Mr Iain Smith's remuneration and fees (including superannuation) for the year comprised:
- non-executive annual fee of $25,644; and
- executive director service fees of $59,199.

(5) Mr Conrad Todd's remuneration and fees (including superannuation) for the year comprised non-executive annual fee of $35,313.

(6) In the prior year, 1,666,667 (pre-consolidation 25,000,000) unquoted options each were issued to Dr Raymond Shaw and Mr Malcolm Smith following Shareholder approval. The Options exercise price is $0.12 (pre-consolidation $0.008) and they expire on 30 September 2016. The Black-Scholes valuation of vested options at the issued date amounted to $40,000 in total. Dr Raymond Shaw and Mr Malcolm Smith are both non-executive directors, the issue was approved by Shareholders at the 26 September 2013 EGM.

(7) Mr Marshall final salary includes $80,057 payment in lieu of notice; and $109,879 of annual leave of which $72,031 was accrued at 30 September 2013. In the prior year, as part of a long term incentive the Shareholders approved the issue of 13,333,334 (pre-consolidation 200,000,000) Performance Rights to Mr Torey Marshall, Managing Director. The Black-Scholes valuation of Performance Rights at the effective grant period over two years of those rights vested amounted to $600,000. The rights lapsed following Mr Marshall's resignation on 2 July 2014, the valuation of these rights be charged to this date were as follow:
- $33,333 year ended 30 September 2013; and
- $(33,333) year ended 30 September 2014.

The Black-Scholes valuation was based on an interest free rate of 4% and 75% volatility.

(8) Mr Lucas Smith's remuneration Includes $65,000 (2012: $53,000) in respect of company secretarial fees for the year. Mr Lucas Smith resigned as Company Secretary on 10 October 2014.

End of Remuneration Report

Principal Activity

The Consolidated Entity is currently engaged in the acquisition, exploration and development of energy projects globally. Targeting primarily conventional oil and gas resources, the company aims to identify new opportunities within mature provinces that have established infrastructure and progressive investment environments. Currently the Company is working assiduously to rebuild shareholder value by building a diverse portfolio of E&P assets.

Performance indicators

	2014 $	2013 $	2012 $	2011 $
Revenue from ordinary activities from operations	**-**	-	-	-
Loss attributable to members for the period	**(8,424,685)**	(4,336,792)	(5,005,442)	(1,507,701)
Income tax expense	**413,300**	77,258	71,946	-
Total loss after tax	**(8,837,985)**	(4,336,792)	(5,077,388)	(1,507,701)
Other comprehensive income	**(7,037)**	1,481	29,578	(11,864)
Total comprehensive income/(loss) after tax	**(8,845,022)**	(4,412,569)	(5,047,810)	(1,519,865)
Basic earnings per share in cents				
- Post share consolidation	**(3.09)**	(0.28)	n/a	n/a
- Pre share consolidation	**n/a**	(4.22)	(0.84)	(0.28)
Net tangible asset backing per security in cents				
- Post share consolidation	**1.074**	1.534	n/a	n/a
- Pre share consolidation	**n/a**	0.1023	0.284	0.0623

Review of Operations

Alaska

Further to the Company's announcement of 27 May 2013, Rampart Energy earned a 10% working interest in Royale Energy's Western Block exploration project, located onshore North Slope Alaska. Rampart Energy subsequently funded the "Big Bend" 3D seismic program, which acquired 3D seismic data over almost the entirety of the Western Block, thereby earning an additional 20% working interest in the Western Block. The program was funded with the assistance of a US$50 million ACES credit facility that the Company finalised with Melody Business Finance LLC.

Rampart Energy has funded the 3D seismic program, net of receivables from the ACES scheme, such that the pending rebates and credits expected to be received from the Alaskan authorities over the coming financial year will clear the current ACES facility debt.

Further to completion of the seismic acquisition and processing, early interpretation data resulted in Netherland, Sewell & Associates Inc. (NSAI) confirming that the Western Block has the possibility to contain material volumes of oil and/or gas, within the conventional prospects highlighted by the 3D program. NSAI had also previously confirmed the possibility of material volumes of oil and gas within the deeper, unconventional petroleum plays.

Alaska (continued)

Operator Royale Energy commenced preparations to drill two exploration wells within the Western Block during the 2014/15 Alaskan drilling season, however the drilling program was postponed in late July 2014, after Royale Energy requested that Rampart Energy pay a substantial sum to cover the "Early Termination Fee" due in the event that the drilling rig contract became unconditional but was subsequently cancelled. Rampart Energy was unable to fund the requested amount, and the parties subsequently entered a long process of negotiation regarding how best to progress the Joint Venture's planned program. Rampart Energy sought certain changes to the well program as originally contemplated under the Participation Agreement with Royale Energy, and waived its rights to earn an interest in the Central Block.

In late November 2014 Rampart Energy announced that Royale Energy had served legal proceedings against the Company's wholly-owned subsidiary, Rampart Alaska LLC. Rampart Energy has since served Royale Energy with an answer, counter-claim and third party complaint, and at the time of writing legal proceedings remain underway.

The parties do however remain in discussion regarding commercial resolution of the parties' dispute, and the Board of Rampart Energy is hopeful that agreement will be reached before the legal process proceeds in full.

Australia

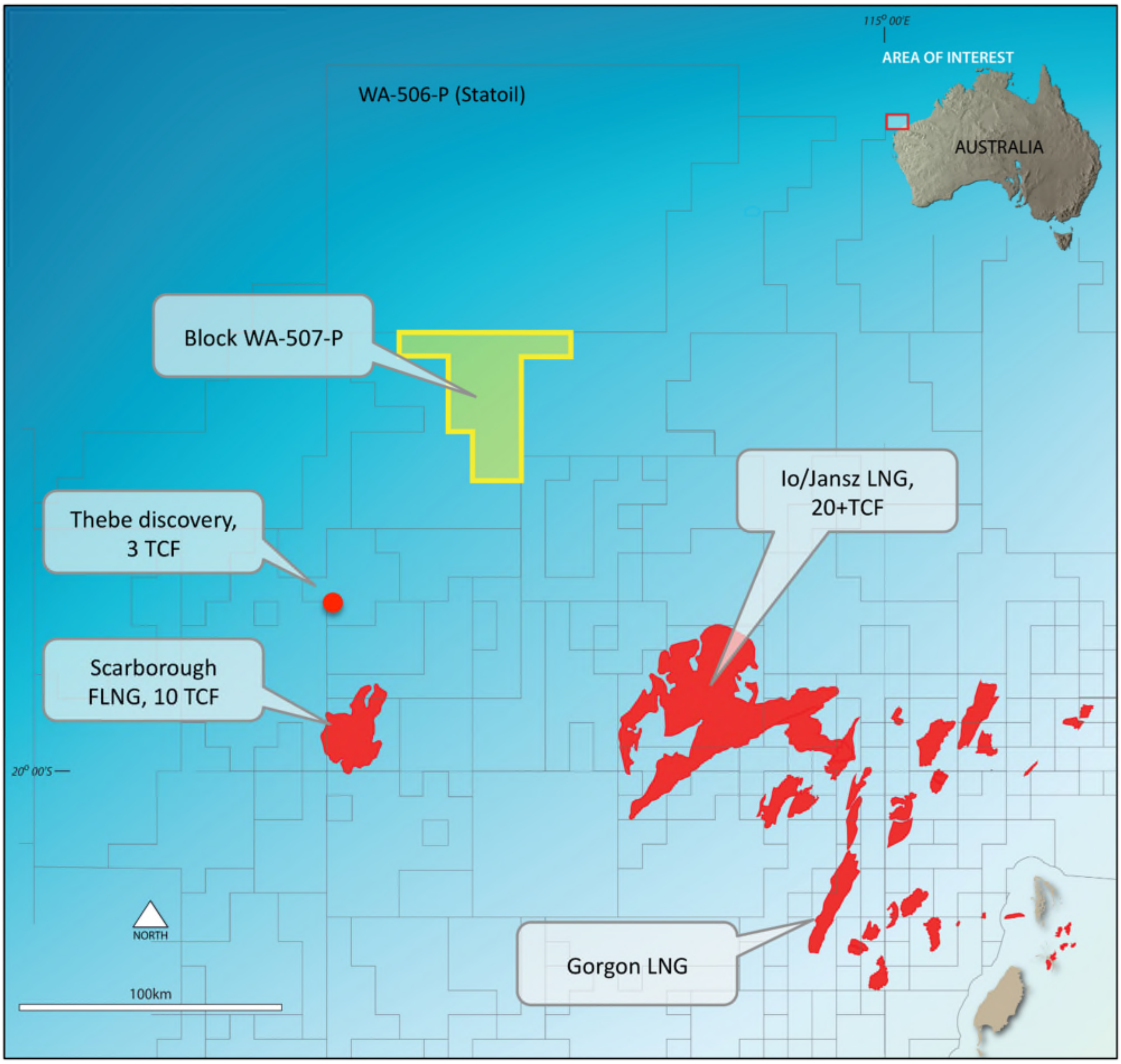
During mid 2014 the new Board of Rampart Energy recognised the need to expand and diversify the Company's oil & gas activities, such that the Company does not depend solely on any one particular project in order to create future shareholder value. The Company initiated a new ventures program, resulting in Rampart Energy securing the rights to an 80% working interest (as Operator) in the newly released exploration permit WA-507-P subsequent to the year end. This new asset signifies a change of strategy for Rampart Energy, under which the Board intends to develop an expanded and balanced portfolio of oil & gas assets assets, on appropriate and achievable commercial terms. The new ventures program remains active and, as the first addition to the new portfolio, Block WA-507-P represents a long term, low cost opportunity with significant potential upside.

Block WA-507-P covers an area of 1622 km^2 over the Exmouth Plateau, located some 300 km offshore Western Australia in water depths of 1000 to 1500 metres. The block is covered by an existing, high quality 3D seismic dataset, which reveals the presence of a number of large structures, ranging from 60 km2 to 280 km^2 in area. These structures have potential to contain significant quantities of gas and condensate in the Triassic Mungaroo reservoir. Similar Mungaroo structural traps contain much of the gas condensate discovered to date on the Northwest Shelf. The block is located in the outboard part of the Mungaroo delta system, where the reservoir is likely to be thick and the interbedded shales are thought to have been deposited in a more marine environment, giving potential for oil to be trapped in the structures.

The WA-507-P permit carries a firm commitment to conduct three years of geological and geophysical studies, and license the existing 3D seismic data (at a cost of US$1.3 million, payable within 12 months of assignment of the working interest to Rampart). A discretionary well may be drilled between any time before year 6, and the Company anticipates significant exploration drilling activity in neighbouring licensed permits during the intervening period. The adjacent permit WA-506-P has recently been awarded to Statoil ASA, with a commitment to acquire 2,000 km of new 2D seismic data and a 3,500 km^2 3D seismic survey. This represents a firm commitment of $50 million expenditure over the first 3 years, with contingent drilling and seismic in years 4 to 6 totaling a further $215 million. This significant investment by Statoil reflects well on the prospectivity of this part of the Exmouth Plateau.

Rampart is partnered in the permit by Black Swan Resources Pty Ltd, which owns the remaining 20% interest in the block and will be carried by Rampart for the first three years of the permit. Rampart secured the rights to the 80% working interest through an assignment agreement with an unrelated third party, and has negotiated various success-based payments to the third party, and to the provider of the existing seismic data, based upon achieving certain (success-based) project milestones. This has enabled Rampart to minimise the cost of entry to the asset, achieving an appropriate commercial structure with mostly contingent financial commitments.Assignment of the 80% working interest to Rampart is subject to approval by the National Offshore Petroleum Titles Administrator (NOPTA), which the Company expects to be confirmed in due course.

Australia (continued)



Block WA-507-P Location Map

Significant changes in state of affairs

There were no other significant changes in the state of affairs of the Company other than the change of Company focus to develop a balanced portfolio of oil & gas assets, and those referred to elsewhere in this Report.

Corporate Highlights

The Company raised over $11 million during the financial year thorough securities issues and the exercise of options.

Events Subsequent to reporting date

Since the year-end the following significant securities transactions have occurred:

- On 17 October 2014 the Company issued 109,000,000 new shares for no consideration to allottees of the placement conducted by the Company on 17 July 2014 (refer to ASX announcement dated 20 August 2014).
- On 17 October 2014 the Company issued 45,000,000 Performance Rights to directors as approved at the General Meeting held on 8 October 2014. (refer to ASX announcement dated 20 August 2014).
- On 17 October 2014 the Company issued 10,000,000 unlisted options to DJ Carmichael stockbrokers as approved at the General Meeting held on 8 October 2014. (refer to ASX announcement dated 20 August 2014).
- On 18 November 2014 the Company announced that is had secured the rights to an 80% working interest in WA-507-P, a Western Australian exploration asset.
- On 25 November 2014 the Company announced that legal proceedings has been served by its Alaskan Joint Venture Partner Royale Energy Inc.
- On 16 December 2014, Rampart Energy announced that Royale Energy had served legal proceedings against the Company's wholly-owned subsidiary, Rampart Alaska LLC. Rampart Energy has since served Royale Energy with an answer, counter-claim and third party complaint, and at the time of writing legal proceedings remain underway.

Except for the matters referred to above, there is no other matter or circumstance that has arisen since 30 September 2014.

Financial Overview

Results of operations

The consolidated loss of the Consolidated Entity after providing for income tax for the financial year ended 30 September 2014 was $8,837,985 compared to a loss for the previous corresponding period of $4,414,050.

The most significant difference between this year's loss and that of the previous period was due to the impairment of projects during the year $5,869,986 (2013: $2,590,400).

Liquidity and Capital Resources

The Company has financed its operations mainly through the sale to investors of its common shares or securities convertible into common shares.

The Company had a working capital deficiency of $6,100,606 at 30 September 2014 compared to a working capital of $731,320 at 30 September 2013. The decrease working capital primarily relates to the ACES facility of $7,842,286 that will be paid by:

- $1,130,296 (USD $989,234) principal paid in cash from excess drawdown that was finalised in October 2014;
- $97,017 (USD $84,910) interest paid in cash in October 2014;
- $3,243,044 (USD $2,838,312) of Alaskan tax credit expected to be received in March 2015. The tax credits are not shown as a debtors at the year end, see Notes 15 and 17 for further details; and
- $3,371,929 (USD $2,951,112) of Alaskan tax credit expected to be received in September 2015. The tax credits are not shown as a debtors at the year end, see Notes 15 and 17 for further details.

Securities

Securities on issue

The Company had the following securities on issue at 23 December 2014:

	Number
Ordinary shares quoted on the ASX	528,492,277
Quoted Options	108,164,528
Unquoted Options	89,993,964
Performance Rights	45,000,000

During the year the ordinary shares were consolidated on a 1 for 15 basis. In addition, 218,738,507 shares and 66,750,000 Options were issued during the year, further details are shown in Note 16. 109,000,000 shares, 10,000,000 Options and 45,000,000 performance Rights were issue post year end.

Share Option and Performance Rights Reserve

	2014 **$**	2013 $
Performance Rights Reserve - Equity based remuneration	**-**	33,333
Share Options Reserve – Options issued	**168**	-
Share Options Reserve - Equity based remuneration and costs	**426,875**	104,500
At 30 September	**427,043**	137,833

The share option reserve records items recognised on the valuation of vested share options.

Performance Rights Reserve

	Number		**Fair value**	
	2014 No.	2013 No.	**2014 $**	2013 $
Performance Rights Reserve at 1 October	200,000,000	-	**33,333**	-
Consolidation of shares on 1:15 basis	(186,666,666)	-		
Performance Rights issued/(lapsed) to T Marshall	(13,333,334)	200,000,000	**(33,000)**	33,333
Performance Rights Reserve at 30 September	**-**	200,000,000	**-**	33,333

On 27 September 2013, as part of a long term incentive 200,000,000 (post consolidation 13,333,334) Performance Rights were issues to Mr Torey Marshall, Managing Director. The issue was approved by shareholders' at the 26 September 2013 EGM. The rights lapsed on 2 July 2014, following the resignation of Mr Torey Marshall.

The Black-Scholes valuation of Performance Rights at the effective grant period over two years of those rights vested amounted to $600,000. The Black-Scholes valuation was based on an interest free rate of 4% and 75% volatility. As a result of Mr Torey Marshall's resignation on 2 July 2014, the valuation of these rights were reversed as the rights did not vest due to failure to achieve the service condition.

- $33,333 year ended 30 September 2013; and
- $(33,333) year ended 30 September 2014.

On 17 October 2014, 45,000,000 Performance Rights were issued, refer to the Remuneration Report for further details.

Share Option Reserve – Options Issued

On 23 April 2014 10,000,000 Options, (exercise price $0.105 expiring 31 January 2016) were issued for $0.00001 raising $100.

On 8 May 2014 6,750,000 Unquoted Options, (exercise price $0.12 expiring 30 September 2016) were issued for $0.00001 raising $67.50.

Securities (continued)

Share Option Reserve – Equity based remuneration and costs

	Number		Fair value	
	2014 No.	2013 No.	**2014 $**	2013 $
Share Option Reserve – Equity based at 1 October	**50,000,000**	-	**104,500**	64,500
Broker Options - issue of Securities	**12,500,000**	-	**322,375**	-
Options Securities issued to R Shaw	**-**	25,000,000	**-**	20,000
Options Securities issued to M Lucas Smith	**-**	25,000,000	**-**	20,000
Share Option Reserve – Equity based at 30 September	**72,500,000**	50,000,000	**426,875**	104,500

On 6 December 2013 12,500,000 Broker Options were issued. The Black-Scholes valuation of vested options at the issued date amounted to $322,375. The Black-Scholes valuation was based on an interest free rate of 5% and 75% volatility.

On 27 September 2013 1,666,666 (pre-consolidation 25,000,000) unquoted options each were issued to Dr Raymond Shaw and Mr Malcolm Smith. The Options exercise price is $0.12 (pre-consolidation $0.008) and they expire on 30 September 2016. The Black-Scholes valuation of vested options at the issued date amounted to $40,000. Dr Raymond Shaw and Mr Malcolm Smith are both non-executive directors, the issue was approved by shareholder at the 26 September 2013 EGM. The Black-Scholes valuation was based on an interest free rate of 4% and 75% volatility.

Options

Company has the following history of Options outstanding:

	Number of Options	Weighted Average Exercise Price
Balance, 30 September 2012	48,158,228	$0.036
Issued 6 December 2012	55,000,000	$0.007
Expired unexercised on 15 December 2012	(10,000,000)	$0.006
Issued under Entitlement Offer on 18 January 2013	281,628,747	$0.005
Issued under Entitlement Offer on 18 January 2013	888,509,985	$0.007
Issued under Entitlement Offer on 24 January 2013	41,250,000	$0.005
Issued under Entitlement Offer on 24 January 2013	27,500,000	$0.007
Issued on 12 March 2013	100,000,000	$0.005
Issued on 12 March 2013	121,666,667	$0.007
Exercised on 15 March 2013	(77,506)	$0.005
Exercised on 15 March 2013	(21,253)	$0.007
Exercised on 28 March 2013	(18,416)	$0.007
Issued on 22 May 2013	30,000,000	$0.004
Exercised on 22 May 2014	(12,000)	$0.007
Expired unexercised on 30 July 2013	(2,000,000)	$0.030
Issued on 8 August 2013	230,000,000	$0.007

Securities (continued)

	Number of Options	Weighted Average Exercise Price
Issued on 8 August 2013	382,501,021	$0.005
Issued on 8 August 2013	232,300,000	$0.004
Exercised on 19 August 2013	(144,107)	$0.007
Exercised on 5 September 2013	(15,833)	$0.007
Issued on 27 September 2013	178,349,952	$0.005
Issued on 27 September 2013	50,000,000	$0.008
Balance at 30 September 2013	**2,654,575,485**	**$0.0064**
Balance, 30 September 2013	**2,654,575,485**	**$0.0064**
Consolidation on 15 October 2013	(2,477,603,448)	$0.088
Exercised on 20 November 2013	(11,221,798)	$0.060
Exercised on 21 November 2013	(4,264,892)	$0.060
Issued on 6 December 2013	22,563,341	$0.010
Issued on 6 December 2013	12,500,000	$0.120
Exercise 23 January 2014	(584)	$0.075
Expired 31 January 2014	(40,075,038)	$0.075
Exercise 4 February 2014	(1,233)	$0.075
Issued 4 February 2014	4,936,659	$0.100
Issued 23 April 2014	20,000,000	$0.105
Issued 8 May 2014	6,750,000	$0.120
Issued 17 October 2014	10,000,000	$0.030
Balance at the date of this report	**198,158,492**	**$0.1055**

The following table summarises information about the Options at 23 December 2014:

Expiry Date	**Exercise Price 30 September 2014**	**Number of Options 30 September 2014**	Exercise Price 30 September 2013	Number of Options 30 September 2013
	Post-Consolidation		Pre-Consolidation	
Unquoted options 20 November 2013	-	-	$0.004	232,300,000
Unquoted options 31 January 2014	-	-	$0.005	601,151,193
Unquoted options 31 January 2015	$0.100	27,500,000	-	-
Unquoted options 10 August 2015	$0.600	1,566,679	$0.010	23,500,000
Quoted Options 31 January 2016	$0.1050	108,164,528	$0.007	1,322,465,043
Unquoted options 14 February 2016	$1.1850	843,882	$0.079	12,658,228
Unquoted options 30 April 2016	$0.0600	2,000,000	$0.004	30,000,000
Unquoted options 31 July 2016	$0.0675	25,500,069	$0.0045	382,501,021
Unquoted options 30 September 2016	$0.1200	10,083,334	$0.008	50,000,000
Unquoted options 31 October 2016	$0.1200	12,500,000	-	-
Unquoted options 30 September 2017	$0.0300	10,000,000	-	-
Total	**$0.1055**	**198,158,492**	$0.0064	2,654,575,485

Future developments

The likely future developments of the Company during the next financial year will involve ongoing activity in the oil and gas sector.

The Company plans to become a substantial ASX listed Company around a portfolio of oil & gas assets.

Environmental Regulations

There are significant environmental regulations surrounding mining activities which have been conducted by Rampart Energy Ltd. However, there has been no breach of these regulations during the financial year or in the period subsequent to the end of the financial year and up to the date of this report.

Dividends

No dividends were paid or declared since the start of the financial year. No recommendation for payment of dividends has been made.

Auditors

Grant Thornton was appointed as auditor of the Company on 22 November 2011. That appointment was confirmed by shareholders at the 2012 Annual General Meeting of the Company, and Grant Thornton continues in that position.

Non-Audit Services

The Directors have adopted specific policies and procedures for the engagement of non-audit services and are satisfied that the provision of non-audit services during the year by the Auditor (or by another person or firm on the Auditors' behalf) is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The aggregate fees billed by the Company's external auditors for the last financial year are as follows:

	2014 **$**	2013 $
Grant Thornton		
Audit fees – Full Year	**25,400**	28,480
– Half Year	**11,000**	9,900
Total remuneration for audit and review of financial statements	**36,400**	38,380
Taxation – Compliance	**6,000**	**638**
Total remuneration for other services	**6,000**	**638**
Total auditor's remuneration	**42,400**	**39,018**

Auditors Independence

The Auditors Independence declaration is set out on page 24 of the Annual Report.

Indemnifying Officers

During the financial year, the Company paid a premium in respect of a contract insuring the Australian directors of the Company (as named above), the company secretary, and all executive officers of the Company and of any related body corporate against a liability incurred as such a director, secretary or executive officer to the extent permitted by Corporation Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The Company has not otherwise, during or since the end of the financial year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Company or of any related body corporate against a liability incurred as such an officer or auditor.

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the *Corporation Act 2001* for leave to bring proceedings on behalf of the Company or to intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings. There were no such proceedings brought or responsibility on behalf of the Company for all or part of those proceedings. There were no such proceedings brought or interventions on behalf of the Company with leave from the Court under section 237 of the Corporation Act 2001. The Company has entered into a deed of indemnity with each Director whereby, to the extent permitted by the Corporations Act 2001, the Company agreed to indemnify each Director against all loss and liability incurred as an Officer of the Company, including all liability in defending any relevant proceedings.

Further information

For further information refer to www.rampartenergy.com.au and our announcements lodged on the ASX (www.asx.com.au).

Dated at Perth this 23rd December 2014.
Signed in accordance with a resolution of the Directors made pursuant to section 298(2) of the Corporations Act 2001.

Gavin Harper
Chairman

DIVERSITY REPORT
30 SEPTEMBER 2014

PROGRESS REPORT ON DIVERSITY STRATEGIES, INITIATIVES AND PROGRAMS

Introduction
The following is the Diversity Report for the financial year ended 30 September 2014 for Rampart Energy Ltd ("the Company") prepared for the purposes of the Company's Annual Report for the year ended 30 September 2014.

The ASX introduced a requirement for all listed companies to adopt a Diversity Policy and a Diversity Strategy by no later than 30 June 2011, to disclose those documents to the shareholders, and to report to the shareholders each year on the current diversity position in the Company including culture, gender and age, and the progress towards achievement of the strategy objectives.

Diversity Policy
The Diversity Policy is based upon the recommendations of the ASX and the Australian Institute of Company Directors ("AICD") and as such will include requirements that may not be appropriate for a small company such as Rampart Energy Ltd. As with all matters included in the ASX Corporate Governance Principles and Recommendations, any recommendation that is not considered appropriate for the Company will be disclosed on an "if not why not" basis. The Policy is outlined in the Statement of Corporate Governance at pages 72 to 83 of this Annual Report and is available on the Company's web site.

Responsibility
The Nomination & Remuneration Committee (if formed, otherwise the Board) is charged with the responsibility for implementation of the Diversity Policy and the oversight of the Diversity Strategy progress, and delegates that responsibility to the CEO. The Company Secretary is charged with the responsibility for reporting to the Committee each year in accordance with the requirements of the Policy.

Current Position
As at 30 September 2014 there was an aggregate of six including Directors, employees, contractors and advisors in the Company, including those acting on a part time basis. Of the aggregate two are female, being 33% of the organisation (none of whom are Directors), one of whom is the Chief Financial Officer. There is one contractor of different ethnic or cultural background and two mature age Directors. The Company is well aware of the value of diversity and practices its attributes as far as possible given the small size of the Company and the nature of its enterprise. The Company has no plans to increase the Board numbers at this time.

Diversity Strategy
The Diversity Strategy is also based upon the recommendations of the ASX and the AICD and sets various strategies, initiatives and programs designed to as far as possible achieve the aims and objectives of the Diversity Policy.

The current position with each of the strategy items and the time frame for achievement or otherwise is listed in the following Table 1:

Table 1

Strategy, initiative or program	By when	Current position
Phase 1 - Strategies		
1.1(a) The development and adoption of the Policy	5/05/2011	Completed
1.1(b) Embody within the Statement of Corporate Governance	5/05/2011	Completed
1.1(c) Assignment of responsibility	5/05/2011	Completed
At Board / board Committee Level		
1.2(a)(i)(A) Diversity is embedded as a relevant attribute	5/05/2011	Completed
1.2(a)(i)(B) Any skill / gap analysis matrix includes due regard for the attributes of diversity	As reqrd	Will be prepared when required
1.2(a)(i)(C) Clear statement exists as to the mix of skills and diversity that the Board is looking to achieve	5/05/2011	Stated below and Included in the Charter for the Board of Directors
1.2(a)(ii) When addressing Board succession planning	5/05/2011	Enshrined in the Charter for the Board of Directors
1.2(a)(iii) Inclusion of Diversity related KPIs for CEO and senior executives	30/09/2011	Completed

Strategy, initiative or program	By when	Current position
1.2(b)(i) Review the Company's HR policies	30/06/2011	Completed
1.2(b)(ii) Review the Company's physical environment & cultural practices to ensure compliance with the Policy	30/06/2011	Completed
1.2(b)(iii) Ensure that the Company's recruitment practices follow the Policy requirements	5/05/2011	Completed
1.2(c)(i) Commit to career development	5/05/2011	Completed
1.2(c)(ii) Develop standing program and provide budget for career development	30/06/2011	Incorporated in 2013/14 budget

Specific Gender Diversity targets
It should be noted that the ASX recognises that there is an historical "skewed' pipeline of qualified and experienced personnel in the market and accordingly the gender diversity targets must be regarded as "soft" and subject to the overriding caveat stated at Item 8 in the Diversity Policy. The gender diversity targets are detailed at Item 2(c) of the Diversity Strategy.

Statements of Skills and Diversity Objectives
The following statements were adopted by the Board and included in the Charter for the Board of Directors at the appropriate locations:

"Since good governance principles require independence, transparency, diversity and flexibility, the Board acknowledges the importance of Board structure and, as a consequence, the Board seeks to use the following provisions as guidance when implementing an effective governance structure in the Company.

Board Skills
The Board shall contain a relevant blend of expertise and diversity attributes appropriate for a Company of its size in:

- *Accounting;*
- *Finance;*
- *Business;*
- *Mining;*
- *Financial instruments;*
- *Legal matters (especially when not present in the Company Secretary); and*
- *Marketing.*

Diversity at Board Level and Generally
The Board respects the values and the competitive advantage of culture, gender, ethnicity and age "diversity", and the benefits of its integration throughout the Company. The Board has adopted a specific Diversity Policy in order to enrich the Company's perspective, improve corporate performance, increase shareholder value, and enhance the probability of achievement of the Company's objectives.
When addressing Board succession planning (and other appointments throughout the Company) the Board has ensured that the Diversity Policy is respected, efforts are made to identify prospective appointees who have Diversity attributes and efforts are made for any short list of prospective appointees to include at least one male and one female candidate."

Nomination & Remuneration Committee Terms of Reference
The Terms of Reference for the Nomination & Remuneration Committee have been amended to incorporate the necessary references to its new responsibility for the Diversity Policy.

Compliance
Having regard to the size of the Company and the nature of its enterprise, it is considered that the Company complies with, as far as possible, the spirit and intentions of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations in respect to diversity.

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AUDITOR'S INDEPENDENCE DECLARATION
TO THE DIRECTORS OF RAMPART ENERGY LTD

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the audit of Rampart Energy Ltd for the year ended 30 September 2014, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

b no contraventions of any applicable code of professional conduct in relation to the audit.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

S J Gray
Partner – Audit & Assurance

Adelaide, 23 December 2014

FINANCIAL REPORT
30 SEPTEMBER 2014

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2014

	2014 $	2013 $
ASSETS		
Current		
Cash and Cash Equivalents (Note 8)	**2,629,375**	948,004
Trade and Other Receivables (Note 9)	**42,723**	39,157
Other Assets (Note 10)	**85,381**	56,416
	2,757,479	1,043,577
Non-Current		
Trade debtors and Other Receivables (Note 11)	**-**	89,840
Restricted Cash	**1**	1
Property and Equipment (Note 12)	**5,500**	5,920
Oil and Gas Interests (Note 13)	**10,598,721**	2,253,122
	10,604,222	2,348,883
Total Assets	**13,361,701**	3,392,460
LIABILITIES		
Current		
Trade and other payables (Note 14)	**1,359,685**	312,257
Borrowings (Note 15)	**7,498,400**	-
	8,858,085	312,257
Total Liabilities	**8,858,085**	312,257
NET ASSETS	**4,503,616**	3,080,203
EQUITY		
Issued Capital (Note 16)	**38,763,813**	28,784,588
Share Option Reserve (Note 16)	**427,043**	137,833
Foreign Exchange Reserve	**(77,014)**	(69,977)
Other Components of Shareholders Equity	**1,406,355**	1,406,355
Accumulated Losses	**(36,016,581)**	(27,178,596)
TOTAL EQUITY	**4,503,616**	3,080,203

The accompanying notes are an integral part of these consolidated financial statements.

RAMPART ENERGY LTD
AND CONTROLLED ENTITIES
ABN 86 115 229 984

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2014

	2014 $	2013 $
Revenues		
Natural gas and petroleum	**-**	-
Other income - Insurance refund (Note 3)	**19,644**	-
Other income - Interest income (Note 3)	**21,474**	6,066
Expenses (Note 4)		
Directors fees	**100,743**	10,452
Equipment depreciation	**2,669**	4,284
Finance costs	**1,017,791**	20,655
Foreign exchange loss /(gain)	**(13,288)**	20
Office	**105,340**	79,206
Professional fees	**655,511**	918,799
Insurance	**67,565**	52,315
Shareholder costs	**145,499**	166,528
Regulatory and filing fees	**1,893**	5,131
Salaries and benefits	**367,790**	241,797
Equity settled share based payment (Note 19)	**(33,333)**	73,333
Travel and promotion	**87,797**	115,254
Current asset impairment expense - Capitalised project costs (Note 13)	**5,869,986**	2,590,400
Geothermal project expenses written off	**-**	11,228
Loan impairment expense	**89,840**	53,456
Loss Before Income Tax Expense	**(8,424,685)**	(4,336,792)
Income Tax Expense (Note 5)	**413,300**	77,258
Total Loss For The Year	**(8,837,985)**	(4,414,050)
Other Comprehensive Income For The Year, Net of Tax		
Items that may be classified subsequent to profit or loss		
Exchange gain/(loss) differences arising on the translation of foreign operations	**(7,037)**	1,481
Total Comprehensive Loss For The Year Attributable to Members	**(8,845,022)**	(4,412,569)
Earnings Per Share (Note 22):		
Basic and diluted in cents	**(3.09)**	(0.28)
Basic and diluted in cents (pre-security consolidation)	**n/a**	(4.22)
Weighted Average Number Of Common Shares Outstanding (Note 22):		
Basic and diluted	**286,149,561**	104,658,168
Basic and diluted (pre-security consolidation)	**n/a**	1,569,872,527

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 SEPTEMBER 2014

	Issued Capital $	Foreign Exchange Reserve - Other Comprehen-sive Income $	Share Option Reserve $	Other Components of Shareholders Equity $	Accumulated Losses attributable to Owners of parent $	Total $
Balance 30 September 2012	23,509,043	(71,458)	64,500	1,406,355	(22,764,546)	2,143,894
Shares issued during the year	5,678,731	-	-	-	-	5,678,731
Share issue costs for the year	(403,186)	-	-	-	-	(403,186)
Equity settled remuneration	-	-	73,333	-	-	73,333
Profit/(loss)	-	-	-	-	(4,414,050)	(4,414,050)
Other comprehensive income	-	1,481	-	-	-	1,481
Balance 30 September 2013	28,784,588	(69,977)	137,833	1,406,355	(27,178,596)	3,080,203
Shares issued during the year	11,099,338	-	-	-	-	11,099,338
Share issue costs for the year	(1,120,113)	-	-	-	-	(1,120,113)
Options issued during the year	-	-	168	-	-	168
Equity settled remuneration	-	-	(33,333)	-	-	(33,333)
Equity settled fees	-	-	322,375	-	-	322,375
Profit/(loss)	-	-	-	-	(8,837,985)	(8,837,985)
Other comprehensive income	-	(7,037)	-	-	-	(7,037)
Balance 30 September 2014	**38,763,813**	**(77,014)**	**427,043**	**1,406,355**	**(36,016,581)**	**4,503,616**

The accompanying notes are an integral part of these consolidated financial statements.

RAMPART ENERGY LTD
AND CONTROLLED ENTITIES
ABN 86 115 229 984

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 SEPTEMBER 2014

	2014 **$**	2013 $
Cash Flows Provided By / (Used In) Operating Activities		
Net Loss	**(8,837,985)**	(4,414,050)
Adjustment for items not requiring an outlay of cash:		
Equipment amortisation	**2,669**	4,284
Unrealized foreign exchange loss	**(46,457)**	20
Impairment of current assets – capitalised project expenditure	**5,869,986**	2,590,400
Impairment of current assets – loans receivable	**89,840**	53,456
Share options expensed	**(33,333)**	73,333
Tax on share issue costs	**413,300**	77,258
Shares issued in lieu of cash	**187,000**	161,922
	(2,354,980)	(1,453,377)
Changes in non-cash working capital		
Accounts receivable	**(32,534)**	(22,108)
Accounts payable and accrued liabilities	**(210,513)**	(198,999)
	(243,047	(221,107)
Net cash (used in) operating activities	**(2,598,027)**	(1,674,484)
Investing Activities		
Property and equipment - purchases	**(2,249)**	(4,830)
Oil & Gas Interests - purchases	**(13,324,923)**	(2,628,180)
Payments in respect for loan	**-**	(143,266)
Net cash (used in) investing activities	**(13,327,172)**	(2,776,276)
Financing Activities		
Share subscriptions received net of share issue cost	**9,821,468**	5,054,365
Loan proceeds	**7,745,270**	-
Net cash provided by financing activities	**17,566,738**	5,054,365
Increase In Cash and Cash Equivalents	**1,641,539**	603,605
Cash and cash equivalents, Beginning Of Year	**948,004**	344,399
Exchange differences on cash and cash equivalents	**39,832**	-
Cash and cash equivalents, End Of Year (Note 8)	**2,629,375**	948,004

The accompanying notes are an integral part of these consolidated financial statements.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity
The consolidated annual financial report for the financial year ended 30 September 2014, comprise the Company, Rampart Energy Ltd and its subsidiaries (together referred to as the "Consolidated Entity").

The Company changed its name in May 2013 to Rampart Energy Ltd. On 29 May 2013, the Company ceased to be registered in British Columbia, Canada; the Company de-registered as a foreign company in Australia (registered on 29 August 2005) and was registered as an Australian company effective 12 June 2013.

The principal business activities include the evaluation, acquisition, exploration and development of natural gas and petroleum.

Statement of Compliance
The financial report is a general purpose financial report that has been prepared in accordance with the requirements of the *Corporations Act 2001,* Australian Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board. Rampart Energy Ltd is a for profit entity for the purposes of preparing financial statements.

Compliance with Australian Accounting Standards results in full compliance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

Rampart Energy Ltd is the Groups ultimate parent company and is a public company incorporated and domicile in Australia. The registered office and its principal place of business is 79 Angas Street, Adelaide SA 5000.

Use of Estimates and Judgments
Management has also made estimates and assumptions that affect the amounts of assets, liabilities, revenues and expenses reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described in Note 20 – utilisation of tax losses.

Basis of measurement
The financial statements have been prepared on an accruals basis and are based on historical costs, modified where applicable by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Functional and presentation currency
The functional currency of the Company, Rampart Energy USA Pty Ltd and Earth Heat Australia Pty Ltd is Australian dollars; Rampart Alaska LLC and Spring River Resources Inc functional currency is United States dollars. The financial report is presented in Australian dollars unless otherwise stated.

The Company's registered office is 79 Angas Street, Adelaide South Australia 5000 and the website is www.rampartenergy.com.au.

The Financial Report was authorised for issue by the Directors on 23 December 2014.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2014

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The following is a summary of significant accounting policies adopted in the preparation of the financial report. The accounting policies have been consistently applied unless otherwise stated.

a) Consolidation

The Group financial statements consolidate those of the Parent Company and all of its subsidiaries as of 30 September 2014. The Parent controls a subsidiary if it is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through its power over the subsidiary.

All subsidiaries have a reporting date of 30 September.

All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies. Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a group perspective. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.Intra-group balances, any unrealised gains and losses or income and expenses arising from intragroup transactions, are eliminated in preparing the consolidated financial report.

Business Combinations

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred. The Group recognises identifiable assets acquired and liabilities assumed in a business combination regardless of whether they have been previously recognised in the acquiree’s financial statements prior to the acquisition. Assets acquired and liabilities assumed are generally measured at their acquisition-date fair values.

Goodwill is stated after separate recognition of identifiable intangible assets. It is calculated as the excess of the sum of (a) fair value of consideration transferred, (b) the recognised amount of any non-controlling interest in the acquire, and (c) acquisition-date fair value of any existing equity interest in the acquiree, over the acquisition-date fair values of identifiable net assets. If the fair values of identifiable net assets exceed the sum calculated above, the excess amount (i.e. gain on a bargain purchase) is recognised in profit or loss immediately.

b) Foreign Currency Translation

The Company’s primary presentation currency is the Australian dollar. Transactions in foreign currencies are translated into Australian dollars as follows:

I) Monetary items, at the rate prevailing at the balance sheet date;
II) Non-monetary items, at the historical exchange rate; and
III) Revenues and expenses, at the rate in effect at the time of the transaction.

Gains or losses arising on translation are included in the statement of profit or loss and other comprehensive income.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

c) Property and Equipment

I) Oil and Gas Interests
Exploration, evaluation and development expenditure incurred is accumulated in respect of each current identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Exploration and evaluation assets are assessed for impairment when fact and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in previous years.

All costs of acquisitions, exploring for and developing geothermal, natural gas and petroleum reserves are initially capitalised into areas of interest. Such costs include land acquisition costs, geological and geophysical expenses, and carrying charges on non-producing properties, costs of drilling and overhead charges directly related to acquisition and exploration activities.

II) Provision for restoration and rehabilitation
Costs of site restoration are provided over the life of the facility from when exploration commences and are included in the costs of that stage. Site restoration costs include the dismantling and removal of mining plant, equipment and building structures, waste removal, and rehabilitation of the site in accordance with clauses of the mining permits. Such costs have been determined using estimates of future costs, current legal requirements and technology on discounted basis. Any changes in the estimates for the costs are accounted for on a prospective basis. In determining the costs of site restoration, there is uncertainty regarding the nature and extent of the restoration due to community expectations and future legislation. Accordingly the costs have been determined on the basis that the restoration will be completed within one year of abandoning the site.

III) Office Equipment
Equipment is stated at cost less accumulated amortisation, which is recorded over the useful lives of the assets on the declining balance basis at the rate of 30%.

d) Financing Fees

Discount and deferred financing fees arising from debt issues are amortized over the term of debt applying the effective interest rate method.

e) Revenue Recognition

Revenue from the sale of natural gas, natural gas liquids and crude oil is recognised when title passes from the Company to its customers. Costs associated with the operating of wells and facilities, delivery and production-based royalty expenses, are recognised in the same period in which the related revenue is earned.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

f) Earnings Per Share

Earnings per share is calculated based on the weighted average number of common shares outstanding. The Dilutive earning per share adjusts the weighted average number of common shares for the dilutive potential ordinary shares that would have been outstanding assuming all dilutive potential ordinary shares had converted.

It assumes that the proceeds would be used to purchase common shares at the average market price during the period. Basic and diluted earnings per share are equal as the effects of the assumed conversion of outstanding options and warrants would be anti-dilutive.

g) Income Taxes

The Consolidated Entity follows the balance sheet method of accounting for income taxes. Under this method future income tax assets and liabilities are determined based on differences between the financial statements carrying values and their respective income tax basis (temporary differences) and on unclaimed losses carried forward. Future income tax assets and liabilities are measured using the tax rates expected to be in effect when the temporary differences are likely to reverse or when losses are expected to be utilised. The effect on future income tax assets and liabilities of a change in tax rates is included in operations in the period in which the change is enacted or substantially assured. The amount of deferred income tax assets recognised is limited to the amount of the benefit that has a probability of recovery.

h) Financial Instrument Policies

Recognition and Initial Measurement
Financial instruments, incorporating financial assets and financial liabilities, are recognised when the entity becomes a party to the contractual provisions of the instrument. Trade date accounting is adopted for financial assets that are delivered within timeframes established by marketplace convention.

Financial instruments are initially measured at fair value plus transactions costs where the instrument is not classified as at fair value through profit or loss. Transaction costs related to instruments classified as at fair value through profit or loss are expensed to profit or loss immediately. Financial instruments are classified and measured as set out below.

Derecognition
Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

Classification and Subsequent Measurement
For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

- Loans and receivables
- Financial assets at Fair Value Through Profit or Loss (‘FVTPL’)
- Held-To-Maturity (‘HTM’) investments; or
- Available-For-Sale (‘AFS’) financial assets

All financial assets except for those at FVTPL are subject to review for impairment at least at each reporting date to identify whether there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described below.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost using the effective interest rate method. less provision for impairment. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default. Receivables that are not considered to be individually impaired are reviewed for impairment in groups, which are determined by reference to the industry and region of a counterparty and other shared credit risk characteristics. The impairment loss estimate is then based on recent historical counterparty default rates for each identified group.

Financial Assets at FVTPL

Financial assets at FVTPL include financial assets that are either classified as held for trading or that meet certain conditions and are designated at FVTPL upon initial recognition. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply (see below).

Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

HTM Investments

HTM investments are non-derivative financial assets with fixed or determinable payments and fixed maturity other than loans and receivables. Investments are classified as HTM if the Group has the intention and ability to hold them until maturity. The Group currently hold not HTM investments.

HTM investments are measured subsequently at amortised cost using the effective interest method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognised in profit or loss.

AFS financial assets

AFS financial assets are non-derivative financial assets that are either designated to this category or do not qualify for inclusion in any of the other categories of financial assets.

All other AFS financial assets are measured at fair value. Gains and losses are recognised in other comprehensive income and reported within the AFS reserve within equity, except for impairment losses and foreign exchange differences on monetary assets, which are recognised in profit or loss. When the asset is disposed of or is determined to be impaired the cumulative gain or loss recognised in other comprehensive income is reclassified from the equity reserve to profit or loss and presented as a reclassification adjustment within other comprehensive income. Interest calculated using the effective interest method and dividends are recognised in profit or loss within ‘finance income’.

Reversals of impairment losses for AFS debt securities are recognised in profit or loss if the reversal can be objectively related to an event occurring after the impairment loss was recognised. For AFS equity investments impairment reversals are not recognised in profit loss and any subsequent increase in fair value is recognised in other comprehensive income.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Classification and subsequent measurement of financial liabilities
The Group's financial liabilities include borrowings, trade and other payables and derivative financial instruments.

Financial liabilities are measured subsequently at amortised cost using the effective interest method, except for financial liabilities held for trading or designated at FVTPL, that are carried subsequently at fair value with gains or losses recognised in profit or loss. All derivative financial instruments that are not designated and effective as hedging instruments are accounted for at FVTPL.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

i) Leased assets

Leases in terms of which the Consolidated Entity assumes substantially all the risks and benefits of ownership are classified as finance leases.

Other leases are operating leases and the leases are not recognised on the Consolidated Entity's statement of financial position. For operating leases lease expenses are charged on a straight line basis over the lease term irrespective of the period in which the payment occur.

j) Impairment

(i) Financial assets
A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flow of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount, and the present value of the estimated future cash flows discounted at the original effective interest rate. An impairment loss in respect of an available-for-sale financial asset is calculated by reference to its current fair value.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognised in the statement of profit or loss and other comprehensive income. Any cumulative losses in respect of an available-for-sale financial asset recognised previously in equity is transferred to the statement of profit or loss and other comprehensive income. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost, the reversal is recognised in the statement of profit or loss and other comprehensive income. For available-for-sale financial asset that are equity securities, the reversal is recognised directly in equity.

(ii) Non-financial assets
The carrying amounts of the Consolidated Entity's assets, other than deferred tax assets (see accounting policy g), are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated (see accounting policy l(i)).

An impairment loss is recognised whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets or groups. Impairment losses are recognised in the statement of profit or loss and other comprehensive income. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (group of units) and then, to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation and amortisation, if no impairment loss had been recognised.

k) Employee benefits

(i) Defined contribution plans

Obligations for contributions to defined contribution pension plans are recognised as an expense in the statement of profit or loss and other comprehensive income when they are due.

(ii) Long-term service benefits

The Consolidated Entity's net obligation in respect of long-term service benefits, other than pension plans, is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using expected future increases in wage and salary rates including related on-costs and expected settlement dates, and is discounted using the rates attached to the Commonwealth Government bonds at the balance sheet date which have maturity dates approximating to the terms of the Consolidated Entity's obligations.

(iii) Annual leave

Annual leave is included in 'other long-term benefit' and discounted when calculating the leave liability as the Group does not expect all annual leave for all employees to be used wholly within 12 months of the end of reporting period. Annual leave liability is still presented as current liability for presentation purposes under AASB 101 Presentation of Financial Statements.

(iv) Wages, salaries, sick leave and non-monetary benefits

Liabilities for employee benefits for wages, salaries and sick leave, that are expected to be settled within 12 months of the reporting date, represent present obligations resulting from employees' services provided to reporting date, calculated at undiscounted amounts based on remuneration wage and salary rates that the Consolidated Entity expects to pay as at reporting date including related on-costs, such as workers compensation insurance and payroll tax.

(v) Share-based payment transactions

The employee and officer share scheme allows Company employees to acquire shares of the Company. The fair value of options granted is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at grant date and spread over the period during which the employees become unconditionally entitled to the options. The fair value of the options granted is measured using a Black-Scholes option pricing model, taking into account the terms and conditions upon which the options were granted. The amount recognised as an expense is adjusted to reflect the actual number of share options that vest except where forfeiture is only due to share prices not achieving the threshold for vesting.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

l) Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits.

m) Goods and Services Tax

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority. In these circumstances, the GST is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated with the amount of GST included. The net amount of GST recoverable from, or payable to, the ATO is included as a current asset or liability in the statement of financial position.

Cash flows are included in the statement of cash flows on a gross basis. The GST components of cash flows arising from investing and financing activities which are recoverable from, or payable to, the ATO are classified as operating cash flows.

n) Payables

Liabilities are recognised for amounts to be paid in the future for goods or services received. Trade accounts payable are normally settled within 60 days.

o) Comparatives

Where applicable, prior year amounts have been adjusted to place a comparable basis with current year amounts.

p) New and amended standards adopted by the Group

The accounting policies adopted are consistent with those of the previous financial year except as follows:

AASB 10 Consolidated Financial Statements
AASB 10 supersedes AASB 127 Consolidated and Separate Financial Statements (AASB 127) and AASB Interpretation 112 Consolidation - Special Purpose Entities. AASB 10 revises the definition of control and provides extensive new guidance on its application. These new requirements have the potential to affect which of the Group's investees are considered to be subsidiaries and therefore to change the scope of consolidation. The requirements on consolidation procedures, accounting for changes in non-controlling interests and accounting for loss of control of a subsidiary are unchanged.
Management has reviewed its control assessments in accordance with AASB 10 and has concluded that there is no effect on the classification (as subsidiaries or otherwise) of any of the Group's investees held during the period or comparative periods covered by these financial statements.

AASB 11 Joint Arrangements
AASB 11 supersedes AASB 131 Interests in Joint Ventures (AAS 131) and AASB Interpretation 113 Jointly Controlled Entities- Non-Monetary-Contributions by Venturers. AASB 11 revises the categories of joint arrangement, and the criteria for classification into the categories, with the objective of more closely aligning the accounting with the investor's rights and obligations relating to the arrangement. In addition, AASB 131's option of using proportionate consolidation for arrangements classified as jointly controlled entities under that Standard has been eliminated. AASB 11 now requires the use of the equity method for arrangements classified as joint ventures (as for investments in associates). The Group has no joint arrangements within the scope of AASB 11. AASB 11 requires the use of equity accounting for joint ventures.

The application of AASB 11 did not have a material impact on the financial statement including cash flows nor on the earnings per share for the year ended 30 September 2014.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

AASB 12 Disclosure of interests in Other Entities

AASB 12 integrates and makes consistent the disclosure requirements for various types of investments, including unconsolidated structured entities. It introduces new disclosure requirements about the risks to which an entity is exposed from its involvement with structured entities. There are no such investments in the current year.

Consequential amendments to AASB 127 Separate Financial Statements and AASB 128 Investments in Associates and Joint Ventures

AASB 127 now only addresses separate financial statements. AASB 128 brings investments in joint ventures into its scope. However, AASB 128's equity accounting methodology remains unchanged.

AASB 13 Fair Value Measurement

AASB 13 clarifies the definition of fair value and provides related guidance and enhanced disclosures about fair value measurements. It does not affect which items are required to be fair-valued. The scope of AASB 13 is broad and it applies for both financial and non-financial items for which other Australian Accounting Standards require or permit fair value measurements or disclosures about fair value measurements, except in certain circumstances. AASB 13 applies prospectively for annual periods beginning on or after 1 January 2013. Its disclosure requirements need not be applied to comparative information in the first year of application. The Group has however included as comparative information the AASB 13 disclosures that were required previously by AASB 7 Financial Instruments: Disclosures.

The Group has applied AASB 13 for the first time in the current year, see Note 17.

These amendments have had no material impact on the Group.

Amendments to AASB 119 Employee Benefits

The 2011 amendments to AASB 119 made a number of changes to the accounting for employee benefits, the most significant relating to defined benefit plans. The amendments:

- Eliminate the 'corridor method' and requires the recognition of re-measurements (including actuarial gains and losses) arising in the reporting period in other comprehensive income;
- Change the measurement and presentation of certain components of the defined benefit cost. The net amount in profit or loss is affected by the removal of the expected return on plan assets and interest cost components and their replacement by a net interest expense or income based on the net defined benefit asset or liability; and
- Enhance disclosures, including more information about the characteristics of defined benefit plans and related risks.

Under the amendments, employee benefits 'expected to be settled wholly' (as opposed to 'due to be settled' under the superseded version of AASB 119) within 12 months after the end of the reporting period are short-term benefits, and are therefore not discounted when calculating leave liabilities. As the Group does not expect all annual leave for all employees to be used wholly within 12 months of the end of reporting period, annual leave is included in 'other long-term benefit' and discounted when calculating the leave liability. This change has had no impact on the presentation of annual leave as a current liability in accordance with AASB 101 Presentation of Financial Statements.

AASB 119 has been applied retrospectively in accordance with its transitional provisions, change has had no impact on the presentation of annual leave.

These amendments have had no material impact on the Group.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Accounting standards issued but not yet effective and not been adopted early by the Group

The Group notes the following Accounting Standards which have been issued but are not yet effective at 30 September 2014. These standards have not been adopted early by the Group. The Group's assessment of the impact of these new standards and interpretations is set out below:

(i) AASB 9 Financial Instruments, AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010), AASB 2010-10 Amendments to Australian Accounting Standards arising from AASB 9, AASB 2012-6 Amendments to Australian Accounting Standards – Mandatory Effective Date of AASB 9 and Transition Disclosures (effective from 1 January 2018), AASB 2013-9 Amendments to Australian Accounting Standards – conceptual framework, Materiality and Financial Instruments and AASB 201-1 Amendments to Australian Accounting Standards.

AASB 9 introduces new requirements for the classification and measurement of financial assets and liabilities. These requirements improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139. The main changes are:

- Financial assets that are debt instruments will be classified based on (1) the objective of the entity's business model for managing the financial assets; and (2) the characteristics of the contractual cash flows.
- Allows an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income (instead of in profit or loss).
- Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument.
- Financial assets can be designated and measured at fair value through profit or loss at initial recognition if doing so eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities, or recognising the gains and losses on them, on different bases.
- Where the fair value option is used for financial liabilities the change in fair value is to be accounted for as follows;
    - The change attributable to changes in credit risk are presented in other comprehensive income (OCI) and;
    - The remaining change is presented in profit or loss.

There will be no impact on the Group's accounting for financial liabilities, as the new requirements only affect the accounting for financial liabilities that are designated at fair value through profit or loss and the Group does not have any such liabilities. The de-recognition rules have been transferred from AASB 139 Financial Instruments: Recognition and Measurement and have not been changed. The entity has not yet assessed the full impact of these amendments.

(ii) AASB 2012-3 Amendments to Australian Accounting Standards – Offsetting Financial Assets and Financial Liabilities

AASB 2012-3 adds application guidance to AASB 132 to address inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement.

When AASB 2012-3 is first adopted for the year ended 30 September 2015, there will be no impact on the Group as this standard merely clarifies existing requirements in AASB 132.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2014

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(iii) AASB 2013-3 Recoverable Amount Disclosures for Non-Financial Assets

These narrow-scope amendments address disclosure of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal.

When developing IFRS 13 Fair Value Measurement, the IASB decided to amend IAS 36 Impairment of Assets to require disclosures about the recoverable amount of impaired assets. The IASB noticed however that some of the amendments made in introducing those requirements resulted in the requirement being more broadly applicable than the IASB had intended. These amendments to IAS 36 therefore clarify the IASB's original intention that the scope of those disclosures is limited to the recoverable amount of impaired assets that is based on fair value less costs of disposal. AASB 2013-3 makes the equivalent amendments to AASB 136 Impairment of Assets.

When these amendments are first adopted for the year ending 30 September 2015, they are unlikely to have any significant impact on the entity given that they are largely of the nature of clarification of existing requirements.

(iv) AASB 2013-9 Amendments to Australian Accounting Standards – Conceptual Framework, Materiality and Financial Instruments (Part C: Financial Instruments)

These amendments:
- add a new chapter on hedge accounting to AASB 9 Financial Instruments, substantially overhauling previous accounting requirements in this area;
- allow the changes to address the so-called 'own credit' issue that were already included in AASB 9 to be applied in isolation without the need to change any other accounting for financial instruments; and
- defer the mandatory effective date of AASB 9 from '1 January 2015' to '1 January 2017'.

Note that, subsequent to issuing these amendments, the AASB has issued AASB 2014-1 which defers the effective date of AASB 9 to '1 January 2018'. The entity has not yet assessed the full impact of these amendments.

(v) AASB 2014-1 Amendments to Australian Accounting Standards (Part A: Annual Improvements 2010–2012 and 2011–2013 Cycles)

Part A of AASB 2014-1 makes amendments to various Australian Accounting Standards arising from the issuance by the International Accounting Standards Board (IASB) of International Financial Reporting Standards Annual Improvements to IFRSs 2010-2012 Cycle and Annual Improvements to IFRSs 2011-2013 Cycle.

Among other improvements, the amendments arising from Annual Improvements to IFRSs 2010-2012 Cycle:
(a) clarify that the definition of a 'related party' includes a management entity that provides key management personnel services to the reporting entity (either directly or through a group entity); and
(b) amend AASB 8 Operating Segments to explicitly require the disclosure of judgements made by management in applying the aggregation criteria.

Among other improvements, the amendments arising from Annual Improvements to IFRSs 2011-2013 Cycle clarify that an entity should assess whether an acquired property is an investment property under AASB 140 Investment Property and perform a separate assessment under AASB 3 Business Combinations to determine whether the acquisition of the investment property constitutes a business combination.

When these amendments are first adopted for the year ending 30 September 2015, they are unlikely to have any significant impact on the entity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2014

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(vi) AASB 2014-1 Amendments to Australian Accounting Standards (Part E: Financial Instruments)

Part E of AASB 2014-1 makes amendments to Australian Accounting Standards to reflect the AASB's decision to defer the mandatory application date of AASB 9 Financial Instruments to annual reporting periods beginning on or after 1 January 2018. Part E also makes amendments to numerous Australian Accounting Standards as a consequence of the introduction of Chapter 6 Hedge Accounting into AASB 9 and to amend reduced disclosure requirements for AASB 7 Financial Instruments: Disclosures and AASB 101 Presentation of Financial Statements.

The entity has not yet assessed the full impact of these amendments.

(vii) IFRIC Interpretation 21 Levies

IFRIC 21 addressed how an entity should account for liabilities to pay levies imposed by governments, other than income taxes, in its financial statements (in particular, when the entity should recognise a liability to pay a levy).

IFRIC 21 is an interpretation of IAS 37 Provisions, Contingent Liabilities and Contingent Assets. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event (known as an obligating event). The Interpretation clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy. For example, if the activity that triggers the payment of the levy is the generation of revenue in the current period and the calculation of that levy is based on the revenue that was generated in a previous period, the obligating event for that levy is the generation of revenue in the current period. The generation of revenue in the previous period is necessary, but not sufficient, to create a present obligation.

When this interpretation is adopted for the first time for the year ending 30 September 2015, there will be no significant impact on the financial statements as the Group is not subject any levies addressed by this interpretation.

(viii) IFRS 15 Revenue from Contracts with Customers

Superseded: IAS 18 Revenue IAS 11 Construction Contracts IFRIC 13 Customer Loyalty Programmes IFRIC 15 Agreements for the Construction of Real Estate IFRIC 18 Transfer of Assets from Customers.

IFRS 15:

- replaces IAS 18 Revenue, IAS 11 Construction Contracts and some revenue-related Interpretations,
- establishes a new control-based revenue recognition model
- changes the basis for deciding whether revenue is to be recognised over time or at a point in time
- provides new and more detailed guidance on specific topics (e.g., multiple element arrangements, variable pricing, rights of return, warranties and licensing)
- expands and improves disclosures about revenue.

In the Australian context, the Australian Accounting Standards Board (AASB) is expected to issue the equivalent Australian Standard (AASB 15 Revenue from Contracts with Customers) by December 2014.

The entity has yet to undertake a detailed assessment of the impact of IFRS 15. However, based on the entity's preliminary assessment, the standard is not expected to have a material impact on the transactions and balances recognized in the financial statements hen it is first adopted for the year ended 30 September 2018.assessed the full impact of these amendments.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(ix) Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to AASB 116 and AASB 138)

The amendments to AASB 116 prohibit the use of a revenue-based depreciation method for property, plant and equipment. Additionally, the amendments provide guidance in the application of the diminishing balance method for property, plant and equipment.

The amendments to AASB 138 present a rebuttable presumption that a revenue-based amortisation method for intangible assets is inappropriate. This rebuttable presumption can be overcome (i.e. a revenue-based amortisation method might be appropriate) only in two limited circumstances:

- the intangible asset is expressed as a measure of revenue, for example when the predominant limiting factor inherent in an intangible asset is the achievement of a revenue threshold (for instance, the right to operate a toll road could be based on a fixed total amount of revenue to be generated from cumulative tolls charged); or
- when it can be demonstrated that revenue and the consumption of the economic benefits of the intangible asset are highly correlated.

The Australian Accounting Standards Board (AASB) have issued the equivalent Australian amendment AASB 2014-4. When these amendments are first adopted for the year ending 30 September 2017, they are unlikely to have any significant impact on the entity.

(x) Clarification of Acceptable Methods of Depreciation and Amortisation (Amendments to* AASB 2014-4 *Amendments to Australian Accounting Standards – Clarification of Acceptable Methods of Depreciation and Amortisation* amends AASB 116 *Property, Plant and Equipment and AASB 138 Intangible Assets* to limit the use of revenue based depreciation and amortisation methods.*)

This is the second amending standard implementing the IASB's May amendments to IAS 16 Property, Plant and Equipment and IAS 38 *Intangible Assets.*

The changes as a result of the IASB's decision that revenue based methods are not appropriate as they do not reflect the underlying principle that depreciation/amortisation should be based on the 'consumption of the expected future economic benefits embodied in the asset'. Revenue based methods reflect a pattern of generation of economic benefits that arise from the operation of the business of which an asset is part, rather than the pattern of consumption of an asset's expected future economic benefits.

The revenue based method can still be used for amortisation for intangible assets if it can be demonstrated that revenue is directly related to the consumption of economic benefits of the intangible asset.

The Australian Accounting Standards Board (AASB) have issued the equivalent Australian amendment AASB 2014-4. When these amendments are first adopted for the year ending 30 September 2017, they are unlikely to have any significant impact on the entity.

(xi) An Accounting for Acquisitions of Interests in Joint Operations (Amendments AASB 2014-3)

The amendments propose that acquirers of such interests shall apply all the relevant principles contained in IFRS 3 Business Combinations and other Standards, except where those principles conflict with the new guidance in AASB 11. In addition, they require the disclosure of all the relevant information required by those standards. The new requirements are operative for financial reporting periods ending on or after 1 January 2016 with early adoption permitted for reporting periods beginning on or after 1 January 2005, provided AASB 11 is also applied.

The Australian Accounting Standards Board (AASB) have issued the equivalent Australian amendment AASB 2014-3. When these amendments are first adopted for the year ending 30 September 2017, they are unlikely to have any significant impact on the entity.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

(xii) Accounting for Acquisitions of Interests in Joint Operations (Amendments to IFRS 11 and AASB)

The amendments to AASB 11 state that an acquirer of an interest in a joint operation in which the activity of the joint operation constitutes a 'business', as defined in AASB 3 Business Combinations, should:

- apply all of the principles on business combinations accounting in AASB 3 and other AASBs except principles that conflict with the guidance of AASB 11. This requirement also applies to the acquisition of additional interests in an existing joint operation that results in the acquirer retaining joint control of the joint operation (note that this requirement applies to the additional interest only, i.e. the existing interest is not remeasured) and to the formation of a joint operation when an existing business is contributed to the joint operation by one of the parties that participate in the joint operation; and
- provide disclosures for business combinations as required by AASB 3 and other AASBs.

The Australian Accounting Standards Board (AASB) had issued the equivalent Australian amendment AASB 2014-3.

The entity has not yet assessed the full impact of these amendments.

There are no other standards that are not yet effective and that are expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.
The Group has not elected to early adopt any new standards or amendments that are issued but not yet effective and has not yet assessed the impact of these standards.

q) New Standards not previously applied

The Consolidated Entity has adopted new and revised IFRS issued by the IASB during the current financial year. Disclosures required by these Standards that are deemed material have been included in this financial report on the basis that they represent a significant change in information from that previously made available. There is no material financial impact from adopting the new Standards.

r) Going concern

The financial report has been prepared on a going concern basis. The Consolidated Group has recorded a loss for the year after tax of $8,837,985 (2013: $4,414,050) and at 30 September 2014 net current liabilities exceeded net current assets by $6,100,606 (2013: $731,320). The decrease working capital primarily relates to the ACES facility of $7,842,286 that will be paid by:

- $1,130,296 (USD $989,234) principal paid in cash from excess drawdown that was finalised in October 2014;
- $97,017 (USD $84,910) interest paid in cash in October 2014;
- $3,243,044 (USD $2,838,312) of Alaskan tax credit expected to be received in March 2015. The tax credits are not shown as assets at the year end, see Notes 15 and 17 for further details; and
- $3,371,929 (USD $2,951,112) of Alaskan tax credit expected to be received in September 2015. The tax credits are not shown as assets at the year end, see Notes 15 and 17 for further details.

The Consolidated Entity will require additional capital to continue as a going concern. If additional capital is not raised going concern may not be appropriate, with the result that the entity may have to realise its assets and extinguish its liabilities, other than in the ordinary course of business and at amounts different from those stated in the financial report.

No allowance for such circumstances has been made in the financial report.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

s) Critical Accounting Policies and Estimates

Determining Fair Values

A number of the Consolidated Entity's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and / or disclosure purposes based upon the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Oil and Gas Interests

Exploration, evaluation and development expenditure incurred is accumulated in respect of each current identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves. Accumulated costs in relation to an abandoned area are written off in full against profit in the year in which the decision to abandon the area is made.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

Exploration and evaluation assets are assessed for impairment when fact and circumstances suggest that the carrying amount of an exploration and evaluation asset may exceed its recoverable amount. The recoverable amount of the exploration and evaluation asset is estimated to determine the extent of the impairment loss (if any). Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no additional impairment loss been recognised for the asset in previous years.

The Consolidated Entity follows the full cost method of accounting for natural gas and petroleum property interests and geothermal interests whereby all costs of acquisitions, exploring for and developing geothermal, natural gas and petroleum reserves are initially capitalised into areas of interest. Such costs include land acquisition costs, geological and geophysical expenses, and carrying charges on non-producing properties, costs of drilling and overhead charges directly related to acquisition and exploration activities.

Alaska's Clear and Equitable Share ("ACES") Production tax and Available Credits

The Alaskan Legislator in 2007 enacted Alaska's Clear and Equitable Share ("ACES"), in 2013 ACES was amended under Alaskan Statute 43.55. The ACES program was designed to encourage investment in Alaska's untapped resources by providing tax credits to companies that have qualifying capital expenditure.

The ACES program provides 85% tax credit for eligibly capital expenditure. All expenditure is audited and must be approved by the Alaskan Department of Revenue (Alaskan DOR), the tax credit is available as either:

- a tax refund received in cash;
- a tax credit against the future production tax, thereby reducing the total production tax in any given year; or
- a transferrable certificate, subject to certain condition being met.

The ACES rebate is to be presented separately and deducted from exploration and evaluation assets. At 30 September 2014 the rebate is estimated at $6,614,973 (USD$5,789,424), the Group believe this amount will be recoverable from the Alaskan DOR as tax rebate in full. The tax rebate will be posted once Alaskan DOR notice has been received.

2. DETERMINING FAIR VALUES

A number of the Consolidated Entity's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and / or disclosure purposes based upon the following methods. Where applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

i) Oil & Gas properties
The fair value of oil and gas properties recognized as a result of a business combination is based on market values. The market value of items of plant, equipment, fixtures and fittings is based upon the quoted market prices of similar items.

3. OTHER REVENUE

	2014 **$**	2013 $
Insurance refund	**19,644**	-
Interest revenue –bank	**21,474**	6,066
	41,118	6,066

4. EXPENSES

	2014 **$**	2013 $
Loss on continuing operations included:		
Depreciation	**2,669**	4,284
Oil & gas project impairment expense	**5,869,986**	-
Geothermal project impairment expense	**-**	2,590,400
Geothermal project expenses written off	**-**	11,228
	5,869,986	2,601,628
Loan impairment cost	**89,840**	53,456
Salaries and benefits		
Executive Director's fees –total (Note 21)	**437,220**	260,719
Executive Director's fees –reallocated to tenements	**(69,430)**	(18,923)
Wages and benefits –Profit and Loss	**367,790**	241,797
Executive Director's fees –paid in shares (Note 21)	**(33,333)**	33,333
Wages and benefits –Profit and Loss	**334,457**	275,130
Directors fees		
Directors' fees –total (Note 21)	**126,055**	10,452
Directors' fees –reallocated to tenements	**(25,312)**	-
Directors' fees –Profit and Loss	**100,743**	10,452
Directors' fees –paid in shares (Note 21)	**-**	40,000
Wages and benefits –Profit and Loss	**100,743**	50,452
ACES facility interest	**596,159**	-
ACES facility charges	**419,191**	-
Other finance costs	**2,441**	20,655
Finance Costs	**1,017,791**	20,655

5. INCOME TAX EXPENSE

The Company is subject to income taxes on its non-consolidated financial statements in Australia, Canada and the U.S.A. The consolidated provision for income taxes varies from the amount that would be computed from applying the aggregate federal and provincial income tax rates to the profit/(loss) before income taxes as follows:

	2014	2013
	$	$
a. The components of tax expense comprise:		
Current tax	**413,300**	77,258
b. The prima facie tax on the loss before income tax is reconciled to the income tax as follows:		
Profit/(loss) before tax	**(8,424,685)**	(4,336,792)
Prima facie tax payable on profit/(loss) before income tax at 30% (2013: 30%)	**(2,527,405)**	(1,301,038)
Increase/(decrease) in income tax expense due to:		
Non-allowable capital items	**1,760,996**	77,258
Non-deductible expenses	**800,458**	46,247
Section 40-880 deductions	**(46,069)**	(46,069)
(Under)/over provision in prior year	**-**	-
Tax losses carried forward and not brought into account	**425,320**	1,300,860
Income tax expense/(benefit)	**413,300**	77,258

6. FINANCIAL INSTRUMENTS

The Company classifies its financial instruments into loans and receivables, held-to-maturity, held-for-trading or available-for-sale categories.

Financial Risk Management

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

Financial Instrument Risk Exposure

The Company is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management process.

The Company is exposed to the following risks related to its financial assets and liabilities:

Currency Risk

The Company is exposed to foreign currency fluctuations to the extent expenditures incurred are not denominated in Australian dollars. The Company has not entered into any long term foreign currency contracts to manage foreign currency risk.

6. FINANCIAL INSTRUMENTS (Continued)

At 30 September 2014, the effect on profit and equity as a result of changes in the interest rate, with all other variables remaining constant would be as follows:

30 September 2014	**Carrying Amount $**	**AUD exchange rate strengthens by 10% $**	**AUD exchange rate weakens by 10% $**
Financial asset held in USD	1,703,172	170,317	(170,317)
Financial liabilities held in USD	(7,842,286)	(784,229)	784,229
	(6,139,114)	(613,912)	613,912
Tax charge 30%	-	(184,174)	184,174
30 September 2013			
Financial asset held in USD	166,575	16,657	(16,657)
Tax charge 30%	-	(4,997)	4,997

The above interest rate and foreign exchange rate risk sensitivity analysis has been performed on the assumption that all other variables remain unchanged.

Credit Risk

The Company is not exposed to significant credit risk arising from its financial instruments. This risk is minimised as the majority of cash and restricted cash have been placed with major financial institutions.

The maximum exposure to credit risk at reporting date is as follows:

	2014 $	2013 $
Accounts receivable	**128,104**	95,573

The maximum exposure to credit risk by country is as follows:

	2014 $	2013 $
Australia	**128,104**	95,573
United States / Canada	**-**	-

Market and Interest Rate Risk

The only significant market risk exposure to which the Company is exposed is interest rate risk. Interest rate risk consists of two components:

a) To the extent that payments made or received on the Company's monetary assets and liabilities are affected by changes in prevailing market interest rates, the Company is exposed to interest rate cash flow risk.
b) To the extent that changes in prevailing market interest rates differ from the interest rates in the Company's monetary assets and liabilities, the Company is exposed to interest rate price risk.

The Company's convertible debentures and notes payable are principally at fixed interest rates and, therefore, the Company's exposure to interest rate cash flow risk over the term of the debentures is minimal. The Company is exposed to interest rate price risk on its notes payable and convertible debentures to the extent that changes in prevailing market interest rates differ from the fixed interest rate.

6. FINANCIAL INSTRUMENTS (Continued)

	%	Floating Interest Rate	Fixed Interest Maturing in: 1 Year or Less	Fixed Interest Maturing in: Over 1 to 5 Years	Non-Interest Bearing	Total
		$	$	$	$	$
30 September 2014						
Financial Assets						
Cash and cash equivalents	2.35%	917,378	-	-	1,711,997	2,629,375
Accounts receivable		-	-	-	128,104	128,104
Unsecured interest free loan		-	-	-	-	-
Restricted cash		-	-	-	1	1
		917,378	-	-	1,840,102	2,757,480
Financial Liabilities						
Accounts payable and accrued liabilities		-	-	-	1,359,685	1,359,685
Borrowings	13-15%	7,842,286	-	-	-	7,842,286
		7,842,286	-	-	1,359,685	9,201,971
30 September 2013						
Financial Assets						
Cash and cash equivalents	0.5%	711,999	-	-	236,005	948,004
Accounts receivable		-	-	-	95,573	95,573
Unsecured interest free loan		-	-	-	89,840	89,840
Restricted cash		-	-	-	1	1
		711,999	-	-	421,419	1,133,418
Financial Liabilities						
Accounts payable and accrued liabilities		-	-	-	312,257	312,257
		-	-	-	312,257	312,257

Sensitivity Analysis
The following tables demonstrate the sensitivity to a change in interest rates in relation to the Consolidated Entity's results and assets.

The Consolidated Entity's exposure to interest rate rise extends only to financial assets as financial liabilities are the subject of fixed interest rates.

	Carrying Amount AUD	+ 1.0% of AUD interest rate	-1.0% of AUD interest rate
	$	$	$
30 September 2014			
Financial assets	917,378	9,174	(9,174)
Tax charge 30%	-	(2,752)	2,752
	917,378	6,422	(6,422)
30 September 2013			
Financial assets	711,999	7,120	(7,120)
Tax charge 30%	-	(2,136)	2,136
	711,999	4,984	(4,984)

The above analysis assumes all other variables remain constant.

Liquidity Risk
The Company ensures that there is sufficient capital in order to meet short-term business requirements, after taking into account the Company's holdings of cash. The Company's cash is invested in business accounts, which are available on demand. The carrying amount in respect of fair value.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2014

6. FINANCIAL INSTRUMENTS (Continued)

Maturity Analysis	Carrying Amount $	Contractual Cash flows $	< 6 months $	6-12 months $	1-3 years $
30 September 2014					
Accounts payable	1,359,685	1,359,685	1,35,685	-	-
Borrowings	7,842,286	7,842,286	4,470,357	3,371,929	
30 September 2013					
Accounts payable	312,257	312,257	312,257	-	-

7. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Fair values measurements

The carrying value of financial assets and financial liabilities of the Consolidated Group are assumed to approximate their fair value due to their short term nature.

The Group uses various methods in estimating the fair value of a financial instrument. The methods comprise:

- Level 1 – the fair value is calculated using quoted prices in active markets.
- Level 2 – the fair value is estimated using inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).
- Level 3 – the fair value is estimated using inputs for the asset or liability that are not based on observable market data.

The fair value of the financial instruments as well as the methods used to estimate the fair value are summarised in the table below:

	Level 1 $	Level 2 $	Level 3 $	Total $
30 September 2014				
Total Financial Assets:	-	-	917,378	917,378
Total Financial Liabilities:	-	-	-	-
30 September 2013				
Total Financial Assets:	-	-	711,999	711,999
Total Financial Liabilities:	-	-	-	-

The carrying amounts of current receivables and payables are assumed to approximate their fair values due to their short-term nature. The fair value of financial liabilities and non-current other receivables approximates the carrying amount as the impact of discounting is not significant.

Fair values of other financial assets and financial liabilities

The Group also has number of financial instruments which are not measured at fair value in the Statement of Financial Position.

The carrying amounts of the current receivables, current payables and current borrowings are considered to be a reasonable approximation of their fair value.

8. CASH AND CASH EQUIVALENTS

Reconciliation to Cash Flow Statement
For the purposes of the Statement of Cash Flows, cash and cash equivalents comprise the following at 30 September:

	2014 $	2013 $
Current		
Cash at bank	**926,203**	948,004
ACES facility cash at bank	**1,703,172**	-
	2,629,375	948,004

Cash at bank earns interest at floating rates based on daily bank deposit rates. The carrying amounts of cash and cash equivalents represent fair value.

The ACES facility cash represents unused funds drawn down (refer to Note 15 for further details), on 1 October 2014 $1,130,296 (USD $989,234) was repaid to the ACES facility reducing the liability, once all relevant expenditure was determined.

9. TRADE AND OTHER RECEIVABLES

	2014 $	2013 $
Current		
Trade receivables and other receivables	**42,723**	39,157
	42,723	39,157

a. Trade receivables past due but not impaired:

As of 30 September 2014, consolidated trade receivables of $nil (2013: $nil) were past due but not impaired.

The other balances within trade receivables are not past due and do not contain impaired assets. Based on the credit history of these receivables, it is expected that these amounts will be received when due.

b. Impaired trade receivables

As at 30 September 2014, trade receivables of $nil (2013: $nil) were impaired.

c. Other receivables

Other receivables arise from transaction outside the usual operating activities of the Company and are unsecured, interest free and repayable on demand.

There are no balances that are past due and impaired. It is expected these balances will be received when demanded.

10. OTHER ASSETS

	2014 $	2013 $
Current		
Prepayments	**85,381**	56,416
	85,381	56,416

11. NON-CURRENT TRADE DEBTORS AND OTHER RECEIVABLES

	2014 Net Book Value $	2013 Net Book Value $
Unsecured interest free loan opening balance	**89,840**	143,266
Less: finance costs on discounting	**-**	(30,394)
Add: unwinding of discount	**24,884**	5,510
Impairment during the period	**(114,724)**	(28,542)
Unsecured interest free loan closing balance	**-**	89,840

The Company announced on 23 April 2013, that it has executed a legally binding agreement whereby the Company had withdrawn from the Copahue Project. Geothermal One assumed all current and future liabilities with respect to the Copahue Project, inclusive of assuming all of the project's staff and/or in-country representative liabilities as well as provide an indemnity against any and all third party legal action effective from 7 January 2013. In exchange for assuming these liabilities, Geothermal One has been paid $120,017 (US$125,000) and provided with an unsecured loan of $143,266 (US$150,000) repayable within 3 years.

The unsecured interest free loan is shown at amortised cost; having been impaired to $nil (2013: $89,840).

12. PROPERTY AND EQUIPMENT

	Cost $	**Accumulated Depreciation $**	**2014 Net Book Value $**	2013 Net Book Value $
Office equipment	26,232	(20,732)	**5,500**	5,920
	26,323	(20,732)	**5,500**	5,920

Capitalised Expenditure

During the period $2,249 (2013: $4,830) of office equipment was acquired.

13. OIL AND GAS INTERESTS

	Opening Cost $	Additions $	Disposals/ Write-Down of Interests $	Foreign Exchange Movement $	2014 Net Book Value $	2013 Net Book Value $
Undeveloped oil & gas interests						
- United States of America	2,253,122	14,219,867	(5,869,986)	(4,282)	**10,598,721**	2,253,122
	2,253,122	14,219,867	(5,869,986)	(4,282)	**10,598,721**	2,253,122

Capitalised Expenditure

There has been $14,219,867 (2013: $2,652,369) of capitalised project expenditure in the Consolidated Entity since the prior period.

During the current period $5,569,986 (2013: $2,940,400) of capitalized expenditure; and $nil (2013: $11,228) of non-capitalized expenditure was written off to the statement of profit or loss and other comprehensive income.

Tenement description	Tenement details/code	2014 $	2013 $
North Slope Project , Alaska USA[1]	North Slope	**10,598,721**	2,253,122
Total		**10,598,721**	2,253,122

Notes:
(1) The Company has acquired a 30% interest in the North Slope Project and has the right to acquire up to 75% working interest in the North Slope Project in staged performance milestones.
(2) The North Slope project capitalized costs have been reduced by $5,569,986 as a result of an impairment review. The impairment indicators are attributable to project drilling delays and no rescheduled drilling program has been agreed to date and the current ongoing dispute instigated by Royale. The impairment review assumes that a settlement will occur with Royale. The impairment figures has been calculated by the Board of Directors using fair value less cost basis and includes the ACES rebate of $7,842,286 not recognized until approved by the Alaskan government department; that will be deducted from the North Slope asset in the next financial year, refer to Note 17 for further details

Interests held by the Consolidated Entity are listed below.

Tenement reference	Location	Nature of interest	Interest at beginning of year	Interest at end of year
North Slope Project Tract 522C, Tract 522D,Tract 523, Tract 526A,Tract 526B, Tract 526C, Tract 526D, Tract 527A, Tract 527B, Tract 527C, Tract 527D, Tract 612, Tract 613, Tract 614, Tract 615C, Tract 615D, Tract 616A, Tract 616B, Tract 616C, Tract 616D	Alaska USA	See (a)	nil%	30%
Baxter Joint Venture Township 19 North Range 106 West	Wyoming USA	See (b)	15%	15%

Nature of interest:
(a) The Company has the right to acquire a 75% working interest in the North Slope Project in staged performance milestones. During the year the Company was assigned an additional 30% working interest in the Western Block, which is held by Rampart Alaska LLC.
(b) The interests are held by Spring River Resources LLC.

14. CURRENT LIABILITIES – TRADE AND OTHER PAYABLES

	2014 **$**	2013 $
Current		
Accounts payable and accruals	**1,359,685**	312,257

15. BORROWINGS

	2014 **$**	2013 $
Current		
Secured – at amortised cost		
Term loan tranche A - maturity date September 2015	**3,997,543**	-
Less transaction costs	**(360,676)**	-
Transaction costs written off	**221,929**	-
Foreign exchange difference on translation	**8,704**	-
	3,867,500	-
Term loan tranche B - maturity date March 2015	**3,844,743**	-
Less transaction costs incurred	**(345,843)**	-
Transaction costs written off	**127,485**	-
Foreign exchange difference on translation	**4,515**	-
	3,630,900	-
Term loans	**7,842,286**	-
Less transaction costs	**(706,519)**	-
Transaction costs written off	**349,414**	-
Foreign exchange difference on translation	**13,219**	-
Total term loan	**7,498,400**	-

During the year the Company completed its USD$50 million funding facility with a major international investment group for a Alaska Clear and Equitable Share ("ACES") based credit facility, which provides for the reimbursement of up to 85% of the allowable exploration expenditure incurred by a company in the North Slope, as defined under Alaskan Statute 43.55. The ACES based credit facility will cover a significant portion of the upfront exploration program costs. At the 30 September 2014, the company has drawn down:

	Tranche A USD $	Tranche B USD $	Total USD $	Tranche A AUD $	Tranche B AUD $	Total AUD $
Loan drawn down	3,191,034	3,069,063	6,260,097	3,724,580	3,582,215	7,306,795
Set up fees	32,232	31,001	63,233	35,569	34,209	69,778
Interest	275,383	264,856	540,239	314,652	302,623	617,275
Forex				(77,258)	(74,304)	(151,562)
Closing Loan	3,498,649	3,364,920	6,863,569	3,997,543	3,844,743	7,842,286

The term loan is held by Rampart Alaska LLC, a wholly owned subsidiary, secured over the assets of the Alaskan subsidiary and all Tax Credit Certificates assets, which amount to 85% of eligible expenditure. The 85% tax credit has been assigned to the lender and will be used to repay the loan once received.

15. BORROWINGS (Continued)

The ACES facility of $7,842,286 will be paid by:

- $1,130,296 (USD $989,234) principal paid in cash from excess drawdown that was finalised in October 2014;
- $97,017 (USD $84,910) interest paid in cash in October 2014;
- $3,243,044 (USD $2,838,312) of Alaskan tax credit expected to be received in March 2014. The 40% tax credits are not shown as assets at the year end; and
- $3,371,929 (USD $2,951,112) of Alaskan tax credit expected to be received in September 2015. The 45% tax credits are not shown as assets at the year end.

During the period $706,519 (2013: $nil) of transaction costs were incurred establishing the Alaska Clear and Equitable Share (“ACES”) based credit facility. The transaction costs to be written off over the term of the debt using the effective interest rate method; during the year $349,413 (2013: $nil) of transaction costs and $69,778 (2013: $nil) of set up fees have been written off.

16. ISSUED CAPITAL

a) Shares Issued and Outstanding

	Number		Consideration	
	2014 No.	2013 No.	**2014 $**	2013 $
Balance, beginning of period	**3,011,297,832**	754,274,461	**28,784,588**	23,509,043
Shares issued in period				
15 October 2013 the Securities consolidation (basis 1:15 shares)	**(2,810,544,062)**	-	**-**	-
21 November 2013 exercise of unquoted Options expiring 20 November 2013	**4,264,892**	-	**255,894**	-
3 December 2013 exercise of unquoted Options expiring 20 November 2013	**11,221,798**	-	**673,308**	-
3 December 2013 issue of Securities	**45,126,682**	-	**2,933,234**	-
23 January 2014 exercise of unquoted Options expiring 31 January 2014	**584**	-	**44**	-
4 February 2014 issue of Securities	**9,873,318**	-	**641,766**	-
4 February 2014 exercise of unquoted Options expiring 31 January 2014	**1,233**	-	**92**	-
27 February 2014 issue of Securities	**70,000,000**	-	**3,500,000**	-
27 February 2014 issue of Securities under Employee Share Option Scheme	**1,000,000**	-	**50,000**	-
27 February 2014 issue of Securities under Employee Share Option Scheme	**1,250,000**	-	**62,500**	-
27 February 2014 issue of Securities under Employee Share Option Scheme	**1,500,000**	-	**75,000**	-
23 April 2014 issue of shares at $0.05 per share	**20,000,000**	-	**1,000,000**	-
24 July 2014 issue of 54,500,000 shares issued at $0.035 per share	**54,500,000**	-	**1,907,500**	-

16. ISSUED CAPITAL (Continued)

	Number		Consideration	
	2014 No.	2013 No.	**2014 $**	2013 $
Shares issued in prior period				
6 December 2012 Securities issued to sophisticated investors	-	110,000,000	-	220,000
18 January 2013 Securities issued under the Entitlement Offer	-	645,757,529	-	1,291,515
24 January 2013 Securities issued to sophisticated investors	-	82,500,000	-	165,000
12 March 2013 Securities issued in settlement of directors fees and remuneration	-	58,300,000	-	116,600
12 March 2013 Securities issued to sophisticated investors	-	117,500,000	-	235,000
15 March 2013 Securities issued on exercise of Options	-	98,759	-	536
28 March 2013 Securities issued on exercise of Options	-	18,416	-	129
22 May 2013 Securities issued in settlement of directors remuneration	-	9,455,778		25,525
22 May 2013 Securities issued on exercise of Options	-	12,000	-	84
22 May 2013 Securities issued in settlement of directors remuneration	-	871,093	-	2,298
6 June 2013 Securities issued to sophisticated investors	-	232,300,000	-	580,750
8 August 2013 Securities issued on conversion of loan	-	460,000,000	-	1,150,000
8 August 2013 Securities issued in lieu of professional services provided	-	5,000,000	-	17,500
12 August 2013 Securities issued to sophisticated investors	-	371,400,000	-	1,299,900
19 August 2013 Securities issued on exercise of Options	-	144,107	-	1,009
5 September 2013 Securities issued on exercise of Options	-	15,833	-	111
27 September 2013 Securities issued to sophisticated investors	-	163,649,856	-	572,774
Share issue costs	-	-	**(1,120,113)**	(403,186)
Balance, end of period	**419,492,277**	3,011,297,832	**38,763,813**	28,784,588

During the prior year all Canadian registered share were transferred to the Australian register:

- On 1 February 2013 150,666 shares were transferred to the Australian register; and
- On 7 August 2013 the remaining 3,113,757 Canadian shares were transferred to the Australian register

16. ISSUED CAPITAL (Continued)

The Share Option Reserve records items recognised on the valuation of vested share options.

b) Share Option Reserve

	2014 $	2013 $
Performance Rights Reserve - Equity based remuneration (i)	**-**	33,333
Share Options Reserve – Options issued (ii)	**168**	-
Share Options Reserve - Equity based remuneration and costs (iii)	**426,875**	104,500
	427,043	137,833

(i) Performance Rights Reserve

	Number		**Fair value**	
	2014 No.	2013 No.	**2014 $**	2013 $
Performance Rights Reserve, beginning of period	**200,000,000**	-	**33,333**	-
Consolidation of shares on 1:15 basis	**(186,666,666)**	-	**-**	-
Performance Rights issued/(lapsed) to T Marshall	**(13,333,334)**	200,000,000	**(33,000)**	33,333
Performance Rights Reserve, end of period	**-**	200,000,000	**-**	33,333

On 27 September 2013, as part of a long term incentive 200,000,000 (post consolidation 13,333,334) Performance Rights were issues to Mr Torey Marshall, Managing Director. The issue was approved by shareholders' at the 26 September 2013 EGM. The rights lapsed on 2 July 2014, following the resignation of Mr Torey Marshall.

The Black-Scholes valuation of Performance Rights at the effective grant period over two years of those rights vested amounted to $600,000. The Black-Scholes valuation was based on an interest free rate of 4% and 75% volatility.

As a result of Mr Torey Marshall's resignation on 2 July 2014, the valuation of these rights were reversed as set out below, as the rights did not vest due to failure to achieve the service condition.

- $33,333 year ended 30 September 2013; and
- $(33,333) year ended 30 September 2014.

(ii) Share Option Reserve – Issued

	Number		**Fair value**	
	2014 No.	2013 No.	**2014 $**	2013 $
Share Options issue for cash	**16,750,000**	-	**168**	-

On 23 April 2014 10,000,000 Options, (exercise price $0.105 expiring 31 January 2016) were issued for $0.00001 rising $100.

On 8 May 2014 6,750,000 Unquoted Options, (exercise price $0.12 expiring 30 September 2016) were issued for $0.00001 rising $68.

16. ISSUED CAPITAL (Continued)

(iii) Share Option Reserve – Equity based remuneration and costs

	Number		**Fair value**	
	2014 No.	2013 No.	**2014 $**	2013 $
Beginning of period	**50,000,000**	-	**104,500**	64,500
Broker Options - issue of Securities	**12,500,000**	-	**322,375**	-
Options Securities issued to R Shaw	**-**	25,000,000	**-**	20,000
Options Securities issued to M Lucas Smith	**-**	25,000,000	**-**	20,000
End of period	**72,500,000**	50,000,000	**426,875**	104,500

On 6 December 2013 12,500,000 Broker Options were issued. The Black-Scholes valuation of vested options at the issued date amounted to $322,375. The Black-Scholes valuation was based on an interest free rate of 5% and 75% volatility.

On 27 September 2013 1,666,666 (pre-consolidation 25,000,000) unquoted options each were issued to Dr Raymond Shaw and Mr Malcolm Smith. The Options exercise price is $0.12 (pre-consolidation $0.008) and they expire on 30 September 2016. The Black-Scholes valuation of vested options at the issued date amounted to $40,000. Dr Raymond Shaw and Mr Malcolm Smith are both non-executive directors, the issue was approved by shareholder at the 26 September 2013 EGM. The Black-Scholes valuation was based on an interest free rate of 4% and 75% volatility.

c) Options

Company has the following history of Options outstanding:

	Number of Options	**Weighted Average Exercise Price**
Balance, 30 September 2012	48,158,228	$0.036
Issued 6 December 2012	55,000,000	$0.007
Expired unexercised on 15 December 2012	(10,000,000)	$0.006
Issued under Entitlement Offer on 18 January 2013	281,628,747	$0.005
Issued under Entitlement Offer on 18 January 2013	888,509,985	$0.007
Issued under Entitlement Offer on 24 January 2013	41,250,000	$0.005
Issued under Entitlement Offer on 24 January 2013	27,500,000	$0.007
Issued on 12 March 2013	100,000,000	$0.005
Issued on 12 March 2013	121,666,667	$0.007
Exercised on 15 March 2013	(77,506)	$0.005
Exercised on 15 March 2013	(21,253)	$0.007
Exercised on 28 March 2013	(18,416)	$0.007
Issued on 22 May 2013	30,000,000	$0.004
Exercised on 22 May 2014	(12,000)	$0.007
Expired unexercised on 30 July 2013	(2,000,000)	$0.030
Issued on 8 August 2013	230,000,000	$0.007
Issued on 8 August 2013	382,501,021	$0.005
Issued on 8 August 2013	232,300,000	$0.004

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16. ISSUED CAPITAL (Continued)

	Number of Options	Weighted Average Exercise Price
Exercised on 19 August 2013	(144,107)	$0.007
Exercised on 5 September 2013	(15,833)	$0.007
Issued on 27 September 2013	178,349,952	$0.005
Issued on 27 September 2013	50,000,000	$0.008
Balance at 30 September 2013	**2,654,575,485**	**$0.0064**
Balance, 30 September 2013	**2,654,575,485**	**$0.0064**
Consolidation on 15 October 2013	(2,477,603,448)	$0.088
Exercised on 20 November 2013	(11,221,798)	$0.060
Exercised on 21 November 2013	(4,264,892)	$0.060
Issued on 6 December 2013	22,563,341	$0.100
Issued on 6 December 2013	12,500,000	$0.120
Exercise 23 January 2014	(584)	$0.075
Expired 31 January 2014	(40,075,038)	$0.075
Exercise 4 February 2014	(1,233)	$0.075
Issued 4 February 2014	4,936,659	$0.100
Issued 23 April 2014	20,000,000	$0.105
Issued 8 May 2014	6,750,000	$0.120
Balance at 30 September 2014	**188,158,492**	**$0.1055**

The following table summarises information about the Options at 30 September 2014:

Expiry Date	**Exercise Price 30 September 2014**	**Number of Options 30 September 2014**	Exercise Price 30 September 2013	Number of Options 30 September 2013
	Post-Consolidation		Pre-Consolidation	
Unquoted options 20 November 2013	-	-	$0.0040	232,300,000
Unquoted options 31 January 2014	-	-	$0.0050	601,151,193
Unquoted options 31 January 2015	$0.1000	27,500,000	-	-
Unquoted options 10 August 2015	$0.6000	1,566,679	$0.040	23,500,000
Quoted Options 31 January 2016	$0.1050	108,164,528	$0.0070	1,322,465,043
Unquoted options 14 February 2016	$1.1850	843,882	$0.0790	12,658,228
Unquoted options 30 April 2016	$0.0600	2,000,000	$0.0040	30,000,000
Unquoted options 31 July 2016	$0.0675	25,500,069	$0.0045	382,501,021
Unquoted options 30 September 2016	$0.1200	10,083,334	$0.0080	50,000,000
Unquoted options 31 October 2016	$0.1200	12,500,000	-	-
Total	**$0.1055**	**188,158,492**	$0.0064	2,654,575,485

17. CONTINGENT LIABILITIES AND ASSETS

Contingent Liability

The Company announced on 22 April 2013, that it has executed a legally binding agreement whereby the Company has withdrawn from the Copahue Project. As part of undertaking the Argentine project, the Company had entered into a joint and several guarantor document with Geothermal One Inc for a US$4m performance bond with SMG Seguros as required under the concession contract awarded to develop the Copahue geothermal project. For the purposes of section 713(5) of the Corporations Act 2001 and as disclosed in the most recent cleansing prospectus, the Company is aware that the performance bond has been called (and subsequently disputed) and it may need to commence legal action to enforce the Company's rights under the relevant laws.

The Company announced ion 25 November 2014, that legal proceedings had been served on the Company's USA subsidiary, Rampart Alaska LLC by its' Alaskan Joint Venture partner Royale Energy, Inc. The proceedings allege that the Company is in breach of its obligations under the Participation Agreement, which governs the interests of the parties in the Western Black joint venture. The Company strongly refutes the allegations made by Royale Energy, Inc, and has engaged US counsel to represent it in relation to the proceeding.

The Consolidated Entity has no other contingent liabilities at 30 September 2014.

Contingent Assets

Alaska's Clear and Equitable Share ("ACES") Production tax and Available Credits
The Alaskan Legislator in 2007 enacted Alaska's Clear and Equitable Share ("ACES"), in 2013 ACES was amended under Alaskan Statute 43.55. The ACES program was designed to encourage investment in Alaska's untapped resources by providing tax credits to companies that have qualifying capital expenditure.

The ACES program provides 85% tax credit for eligibly capital expenditure. All expenditure is audited and must be approved by the Alaskan Department of Revenue (Alaskan DOR), the tax credit is available as either:

- a tax refund received in cash;
- a tax credit against the future production tax, thereby reducing the total production tax in any given year; or
- a transferrable certificate, subject to certain condition being met.

The ACES rebate is to be presented separately and deducted from exploration and evaluation assets once Alaskan DOR notice has been received. At 30 September 2014 the rebate is estimated at $6,614,973 (USD$5,789,424), the Group believe this amount will be recoverable from the Alaskan DOR as tax rebate in full.

The Consolidated Entity has no other contingent assets at 30 September 2014.

18. COMMITMENTS

	2014 **$**	2013 $
Exploration commitments	**7,085,530**	-
Operating leases	**50,000**	50,000
Employment and consultant commitments	**254,417**	482,090

Exploration commitments

The Consolidated Group is required to meet certain expenditure requirements to earn its working interest; these obligation are subject to re-negotiations, may be farmed-out or may be relinquished and have not been provided for in the financial statements.

18. COMMITMENTS (Continued)

North Slope Project in Alaska
Under the Participation Agreement with Royale Energy Inc. an additional 45% working interest to be earned by the completion of the Drilling program with a promoted cap cost of USD$30 million. The Company plan to farm-out all or part of this project to finance the costs not covered by the ACES rebate.

Northern Carnarvon Basin Project in Western Australia
In November 2014, the Company announced the right to secure 80% working interest, as Operator, in permit WE-507-P located in Northern Carnarvon Basin Project in Western Australia. The assignment of the 80% interest is subject to approval by National Offshore Petroleum Titles Administrator.

Spring River's oil and gas interests
The exploration expenditure commitments relate to the economic entity's share of the exploration and evaluation expenditure required to comply with the licence terms issued by the relevant regulatory body. There is no fixed financial commitment under the licence terms.

19. SHARE BASED PAYMENTS

During the period the following equity settled share based payments were made. All securities are show prior to the securities consolidation.

	Number		Fair value	
	2014 No.	2013 No.	**2014 $**	2013 $
Shares issued				
Success fee - issue of Securities(1)	**1,000,000**	-	**50,000**	-
Success fee - issue of Securities(1)	**1,250,000**	-	**62,500**	-
Promotional fees - issue of Securities(2)	**1,500,000**	-	**75,000**	-
Securities issued to Dr R Shaw(3)	**-**	8,300,000	**-**	16,600
Securities to T Marshall(3)	**-**	50,000,000	**-**	100,000
Securities issued to T Marshall (4)	**-**	10,326,871	**-**	27,822
Total shares issued in year in lieu of fees and remuneration	**3,750,000**	68,626,871	**187,500**	144,422
Options issued				
Broker Options - issue of Securities(5)	**12,500,000**	-	**322,375**	-
Options Securities issued to R Shaw(6)	**-**	25,000,000	**-**	20,000
Options Securities issued to M Lucas Smith(6)	**-**	25,000,000	**-**	20,000
Total options issued	**12,500,000**	50,000,000	**322,375**	40,000
Performance Rights issued				
Performance Rights issued to T Marshall(7)	**-**	200,000,000	**(33,333)**	**33,333**
Total Performance Rights issued in period	**-**	200,000,000	**(33,333)**	**33,333**
Total share based payments	**16,250,000**	318,626,871	**476,542**	217,755

19. SHARE BASED PAYMENTS (Continued)

Notes:
Shares

(1) On 27 February 2014 1,250,000 shares were issued to Giant Star Capital LLC under an agreement dated 13 October 2013 following the establishment of a $50,000,000 loan facility. In addition, $50,000 of the $284,090 (USD$250,000) success fee bonus payment was paid in 1,000,000 shares. The fair value of the share issue was based on the market price paid by sophisticated investors for 70,000,000 share issued $0.05 per share on the share day.

(2) On 27 February 2014 1,500,000 shares were issued to Avenue Consulting Pty Ltd under an agreement dated 20 January 2014, in respect of investor and public relations services. The fair value of the share issue was based on the market price paid by sophisticated investors for 70,000,000 share issued $0.05 per share on the share day.

(3) On 12 March 2013 3,886,667 (pre-consolidation 58,300,000) Securities issued in settlement of directors fees and remuneration at $0.03 (pre-consolidation $0.002) per share. The fair value of the share issue was based on the market price paid by sophisticated investors for the other 7,833,334 (pre-consolidation 117,500,000) ordinary shares that were issued to sophisticated investors at $0.03 (pre-consolidation $0.002) per share on the same day.

(4) On 22 May 2013 pre-consolidation 10,326,871 securities were issued as part of Torey Marshall remuneration package.

Options

(5) On 6 December 2013 12,500,000 Broker options were issued. The fair value of these securities is based on a Black Scholes valuation.

(6) On 27 September 2013 Options issued to Dr Raymond Shaw and Malcolm Lucas Smith and on 22 May 2013 Performance Rights issued to Torey Marshall. The fair value of these securities is based on a Black Scholes valuation

Performance rights issue

(7) On 22 May 2013 13,333,334 (pre-consolidation 200,000,000) Performance Rights were issued to Torey Marshall. The fair value of these securities is based on a Black Scholes valuation. The Rights lapsed following Torey Marshall's resignation on 2 July 2014.

All securities issued to directors and officers were approved by shareholders.

20. RELATED PARTY TRANSACTIONS

Related Party Transactions

During the year the Company entered into employment contracts and loan agreements with directors and consultants that are considered to be related parties. The purpose of the transactions entered into with related parties was to facilitate the Company's strategic, operating and financing activities.

The Related party transactions mentioned above are in the normal course of operations and are measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties. Amounts due to related parties are unsecured with no specific terms of repayment.

20. RELATED PARTY TRANSACTIONS (Continued)

Remuneration Payable to Directors including superannuation and annual leave

Related party	Debtor/(Creditor) Opening Balance $	**(Charge)/Credit to Consolidated Profit and Loss $**	**Paid during the period $**	**Debtor/(Creditor) Closing Balance $**
30 September 2014				
G Harper	-	(42,039)	37,039	**(5,000)**
I Smith	-	(84,843)	68,410	**(16,433)**
C Todd	-	(35,313)	30,105	**(5,208)**
M Lucas-Smith director fees	-	(9,641)	9,641	**-**
M Lucas-Smith other fees	-	(65,000)	65,000	**-**
Dr R Shaw	-	(25,798)	25,798	-
T Marshall	(72,032)	(332,488)	404,520	**-**
	(72,032)	(595,122)	640,513	**(26,641)**
30 September 2013				
Dr R Shaw	(37,917)	(21,452)	59,369	**-**
M Lucas-Smith director fees	-	(42,200)	42,200	**-**
M Lucas-Smith other fees	(13,200)	(39,800)	53,000	**-**
T Marshall	(143,601)	(294,052)	365,621	**(72,032)**
	(194,718)	(397,504)	520,190	**(72,032)**

During the year, executive director's remuneration amounted to $403,887 (2013: $294,052) which included Torey Marshall's remuneration on resignation in lieu of notice $80,058 and, annual leave payment of $109,879. The directors fees of $126,055 (2013: $50,452) were paid or accrued by the Company to Directors. In addition, $65,000 (2013: $53,000) of company secretarial fees were paid to Malcolm Lucas Smith for the year, the fees to the date he resigned as a director amount to $24,000. The details are set out in Note 20.

Mr Gavin Harper's on-going agreement between the Company and New Energy Consultants Pty Ltd (a company controlled by Mr Harper) commenced on 1 July 2014 and sets out the following remuneration and fees:
- non-executive annual fee of $60,000 per annum (including superannuation);
- executive chairman service fees of the lesser of $200 per hour or $1,500 per day; and
- additional fees that comprise of reimbursed expenses and a bonus and incentive package.

Mr Iain Smith's on-going agreement between the Company and Basis Commercial Pty Ltd (a company controlled by Mr Smith) commenced on 1 June 2014 and sets out the following remuneration and fees:
- non-executive annual fee of $40,000 per annum (including superannuation);
- executive service fees of the lesser of $200 per hour or $1,500 per day; and
- additional fees that comprise of reimbursed expenses and a bonus and incentive package.

Mr Conrad Todd's on-going agreement between the Company and The Trustee for Todd Family Trust (an entity controlled by Mr Todd) commenced on 2 July 2014 and sets out the following remuneration and fees:
- non-executive annual fee of $40,000 per annum (including superannuation);
- executive service fees of the lesser of $200 per hour or $1,500 per day; and
- additional fees that comprise of reimbursed expenses and a bonus and incentive package.

Remuneration of key management personnel

The full Board of Directors sets remuneration policies and practices generally and makes specific recommendations on remuneration packages and other terms of employment for Executive Directors, other Senior Executives and Non-Executive Directors.

20. RELATED PARTY TRANSACTIONS (Continued)

Remuneration arrangement of key management personnel are disclosed in the Remuneration Report that forms part of this Report.
Key management remunerations is as follows:

	2014 $	2013 $
Short term employee benefits – salaries	**563,672**	279,903
Post employment benefits – defined contributions pension plans	**30,586**	16,446
Short term employee benefits – annual leave accrued on resignation	**37,847**	-
Share based payments[(1)] (Note 19)	**-**	27,822
Share based payments 25,000,000 Options to Dr R Shaw[(2)] (Note 19)	**-**	20,000
Share based payments 25,000,000 Options to Mr M Lucas-Smith[(2)] (Note 19)	**-**	20,000
Performance Rights - Equity based remuneration[(2)] (Note 19)	**(33,333)**	33,333
	598,772	397,504

(1) On 22 May 2013 pre-consolidation 10,326,871 securities were issued as part of Torey Marshall remuneration package.

(2) On 27 September 2013 Options issued to Dr Raymond Shaw and Malcolm Lucas Smith and on 22 May 2013 Performance Rights issued to Torey Marshall. The fair value of these securities is based on a Black Scholes valuation

21. INCOME TAXES

	2014 $	2013 $
Liabilities		
CURRENT		
Income Tax	-	-
Assets		
NON-CURRENT		
Deferred tax asset	-	-

Deferred tax assets not brought to account, the benefits of which will only be realised if the conditions for deductibility set out in Note 1(g) occur:

— tax losses: Australian operating losses to date $18,434,985 (2013: $11,259,222)

In the United States of America, the ACES tax credit rebates are expected in March 2015 and September 2015, the rebates are to be presented separately and deducted from exploration and evaluation assets once Alaskan DOR notice has been received. See Note 15 for further details. At 30 September 2014 the tax credit rebate is estimated at $6,614,973 (USD$5,789,424).

In addition, the Company has available tax losses of approximately $6,175,000 (CAD$5,928,000[1]) that may be offset against future Canadian taxable income. The Company has resource pools of approximately $7,407,292 (CAD$7,111,000[3]) available to offset future taxable income. The tax benefit of these amounts is available for carry-forward indefinitely, but has not been recognised.

[1] AUD$1:CAD$0.96

22. EARNINGS PER SHARE

The reconciliation of the weighted average number of shares have been calculated using the profit attributable to shareholders of the parent company, Rampart Energy Ltd, as the remunerator, i.e. no adjustments to profit were necessary in 2013 or 2014.

a) Earnings used in calculating earnings per share

	2014 **$**	2013 $
Continuing Net loss attributable to ordinary equity holders of the parent	**8,424,685**	4,414,050

b) Weighted average number of shares

	2014 **Number**	2013 Number[(1)]
Post -consolidation weighted average number of ordinary shares for basic earnings per share	**286,141,561**	104,658,168
Effect of dilution: Share options	**-**	-
Weighted average number of ordinary shares adjusted for the effect of dilution	**286,149,561**	104,658,168

(1) On the 15 October 2013 the shares were consolidated on a 1 for 15 basis, the pre-consolidated weighted average number shares for the prior year totaled $1,569,872,527.

There are no instruments excluded from the calculation of diluted earnings per share that could potentially dilute basic earnings per share in the future.

There have been no other transactions involving ordinary shares or potential ordinary shares that would significantly change the number of ordinary shares or potential ordinary shares outstanding between the reporting date and the date of completion of these financial statements.

23. PARENT ENTITY DISCLOSURES

The accounting policies of the parent entity, which have been applied in determining the financial information shown below, are the same as those applied in the consolidated financial statements. Refer to Note 1 for a summary of the significant accounting policies relating to the Consolidated Entity.

Financial Position	**2014** **$**	2013 $
Assets		
Current Assets	**1,054,306**	1,151,213
Non-Current Assets	**3,668,074**	2,241,610
Total Assets	**4,722,380**	3,392,823
Liabilities		
Current Liabilities	**218,764**	312,620
Total Liabilities	**218,764**	312,620
Net Assets	**4,503,616**	3,080,203

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2014

23. PARENT ENTITY DISCLOSURES (Continued)

	2014 $	2013 $
Equity		
Issued Capital	**38,763,813**	28,784,588
Share Option Reserves	**427,043**	137,833
Other Components of Shareholders Equity	**1,406,355**	1,406,355
Accumulated Losses	**(36,093,595)**	(27,248,573)
Total Equity	**4,503,616**	3,080,203
Financial Performance		
Comprehensive Loss for the year	**(8,845,022)**	(4,404,039)
Other comprehensive income	**-**	-
Total comprehensive loss	**(8,845,022)**	(4,404,039)

24. INTERESTS IN SUBSIDIARIES

Composition of the Group
Set out below details of the subsidiaries held directly by the Group:

Name of the Subsidiary	**Country of Incorporation & Principal Place of Business**	**Principal Activity**	**Group Proportion of Ownership Interests 2014**	**2013**
Rampart Energy USA Pty Ltd	Australia	Intermediate Parent entity	100%	100%
Rampart Alaska LLC.	USA	Oil & gas exploration	100%	-
Spring River Resources Ltd.	USA	Oil & gas exploration	100%	100%
Earthheat Australia Pty Ltd	Australia	Geothermal exploration	-	100%

- Rampart Energy USA Pty Ltd, a company was incorporated in Australia on 9 May 2013;
- Rampart Alaska LLC., a company incorporated on 23 December 2013 to carry out the Company's resource operations in the United States of America ("U.S.A."); and
- Spring River Resources Ltd., a company incorporated to carry out the Company's resource operations in the United States of America ("U.S.A."); and
- Earth Heat Australia Pty Ltd, a company acquired on 22 January 2010 to carry out the Company's geothermal operations in Australia. The subsidiary is incorporated in Australia. On 8 August 2014 the company was deregistered.

25. DEREGISTRATION OF SUBSDIARY

On the 8 August 2014 Earth Heat Australia Pty Ltd was deregistered. The 100% subsidiary had no assets, liabilities or results at 30 September 2014 or 30 September 2013.

26. SUBSEQUENT EVENTS

Since the year end the following significant securities transactions have occurred:

- On 17 October 2014, the Company issued 109,000,000 new shares for no consideration to allottees of the placement conducted by the Company on 17 July 2014 (refer to ASX announcement dated 20 August 2014).
- On 17 October 2014, the Company issued 45,000,000 Performance Rights to directors as approved at the General Meeting held on 8 October 2014. (refer to ASX announcement dated 20 August 2014).
- On 17 October 2014, the Company issued 10,000,000 unlisted options to DJ Carmichael stockbrokers as approved at the General Meeting held on 8 October 2014. (refer to ASX announcement dated 20 August 2014).
- On 18 November 2014, the Company announced that is had secured the right to an 80% working interest in WA-507-P, a Western Australian exploration asset.
- On 25 November 2014, the Company announced that legal proceedings has been served by its Alaskan Joint Venture Partner Royale Energy Inc.
- On 16 December 2014, Rampart Energy announced that Royale Energy had served legal proceedings against the Company's wholly-owned subsidiary, Rampart Alaska LLC. Rampart Energy has since served Royale Energy with an answer, counter-claim and third party complaint, and at the time of writing legal proceedings remain underway.

Except for the matters referred to above, there is no other matter or circumstance that has arisen since 30 September 2014.

27. MANAGEMENT OF CAPITAL

The Company manages its cash, ordinary shares and Options as capital. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its mineral properties and to maintain a flexible capital structure, which optimizes the costs of capital at an acceptable risk. The Company does not have any externally imposed capital requirements to which it is subject.

The Company manages the capital structure and makes adjustment to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares, issue debt, acquire or dispose of assets, or adjust the amount of cash and cash equivalents.

In order to facilitate the management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. There are no externally imposed capital requirements.

There have been no changes in the strategy adopted by management to control the capital of the Consolidated Entity since the prior year, which is to maintain the debt to equity ratio at not more than 100%. The debt-equity ratios as at 30 September 2014 and 30 September 2013 are as follows:

	2014 **$**	2013 $
Total loans and borrowings	**7,842,286**	-
Less: Cash and cash equivalent	**(2,629,375)**	(948,004)
Net borrowings	**5,212,911**	(948,004)
Total equity	**4,503,616**	3,080,203
Total capital	**38,763,813**	28,784,588
Gearing ratio	**13.4%**	(3.3)%

The further increase in the gearing ratio during 2014 is primarily due to the ACES facility see Note 15 for further details.

28. AUDITORS REMUNERATION

Details of the amounts paid or payable to the auditors for services provided during the year are set out below:

	2014	2013
	$	$
Grant Thornton		
Audit fees – Full Year	**25,400**	28,480
– Half Year	**11,000**	9,900
Total remuneration for audit and review of financial statements	**36,400**	38,380
Taxation – Compliance	**6,000**	**638**
Total remuneration for other services	**6,000**	**638**
Total auditor's remuneration	**42,400**	**39,018**

29. OPERATING SEGMENTS

The Directors' have considered the requirements of AASB8 – Operating Segments and the Internal Reports that are reviewed by the chief operating decision maker (the Board) in allocating resources and have concluded that at this time there are no separately identifiable segments,

Major customers

The Consolidated Entity is an exploration company and as such has no major customers.

DIRECTORS DECLARATION
FOR THE YEAR ENDED 30 SEPTEMBER 2014

In accordance with a resolution of the directors of Rampart Energy Ltd, I state that:

- In the opinion of the directors:
  - The consolidated financial statements and notes of Rampart Energy Ltd for the financial year ended 30 September 2014 are in accordance with the Corporations Act 2001, including:
    - Giving a true and fair view of its financial position as at 30 September 2014 and of its performance for the financial year ended on that date;
    - Complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and Corporations Regulations 2001; and
  - The financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 2(a); and
  - Subject to Note 1(r) there are reasonable grounds to believe that the consolidated entity will be able to pay its debts as and when they become due and payable.
- This declaration has been made after receiving the declarations required to be made to the Directors in accordance with Section 295A of the Corporations Act 2001 for the financial year ended 30 September 2014.

On behalf of the Board

Chairman

Dated this 23rd December 2014

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67 Greenhill Rd
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INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF RAMPART ENERGY LTD

Report on the financial report

We have audited the accompanying financial report of Rampart Energy Ltd (the "Company"), which comprises the consolidated statement of financial position as at 30 September 2014, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the consolidated entity comprising the Company and the entities it controlled at the year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The Directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001. The Directors' responsibility also includes such internal control as the Directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error. The Directors also state, in the notes to the financial report, in accordance with Accounting Standard AASB 101 Presentation of Financial Statements, the financial statements comply with International Financial Reporting Standards.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require us to comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Company's preparation of the financial report that gives a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the Corporations Act 2001.

Auditor's opinion

In our opinion:

a the financial report of Rampart Energy Ltd is in accordance with the Corporations Act 2001, including:

  i giving a true and fair view of the consolidated entity's financial position as at 30 September 2014 and of its performance for the year ended on that date; and

  ii complying with Australian Accounting Standards and the Corporations Regulations 2001; and

b the financial report also complies with International Financial Reporting Standards as disclosed in the notes to the financial statements.

Emphasis of matter

Without qualification to the audit opinion expressed above, we draw attention to Note 1 (r) to the financial report which indicates that the company incurred a net loss of $8,837,985 during the year ended 30 September 2014 and, as of that date, the company's current liabilities exceeded its current assets by $6,100,606. These conditions, along with other matters as set forth in Note 1 (r), indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern and therefore, the company may be unable to realise its assets and discharge its liabilities in the normal course of business, and at the amounts stated in the financial report.

Grant Thornton

Report on the remuneration report

We have audited the remuneration report included in pages of the directors' report for the year ended 30 September 2014. The Directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the Corporations Act 2001. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion on the remuneration report

In our opinion, the remuneration report of Rampart Energy Ltd for the year ended 30 September 2014, complies with section 300A of the Corporations Act 2001.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

S J Gray
Partner – Audit & Assurance

Adelaide, 23 December 2014

CORPORATE GOVERNANCE STATEMENT

Rampart Energy Ltd ("the "Company") and the Board are committed to achieving and demonstrating the appropriate standards of corporate governance, consistent with the size and nature of the Company. This statement outlines the main corporate governance practices in place throughout the Financial Year.

The ASX Corporate Governance Council ("Council") released revised Corporate Governance Principles and Recommendations on 2 August 2007 and further amendments have been released since then. This Statement complies with those revised ASX Principles except where otherwise noted.

Having regard to the size of the Company and the nature of its enterprise, it is considered that the Company complies as far as possible with the spirit and intentions of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations as appropriate.

CHARTER FOR THE BOARD OF DIRECTORS

An important and basic corporate governance policy is the Charter for the Board of Directors which is regularly reviewed. The Charter is a composite document which deals with all of the ASX principles of good corporate governance and is available on the Company's website.

The Charter, as supported by the Director's Code of Conduct detailed at Principle 3, sets out the following requirements:

- The role of the Board;
- The Board structure;
- The skills required on the Board; and
- The Director's general roles.

The relevant references in the Charter are noted under each of the principles listed below.

ASX CORPORATE GOVERNANCE PRINCIPLES

The following is a summary of the 8 Corporate Governance Principles including comments where applicable on the Recommendations, and extracts from the policies adopted by the Company which demonstrate how compliance has been achieved.

PRINCIPLE 1: Lay solid foundations for management and oversight

Operations of the Board

The Board of Directors of the Company is responsible for all aspects of the management of the Company. The Board guides and monitors the businesses and affairs of the Company on behalf of the Shareholders and is committed to achieving and demonstrating the appropriate standards of corporate governance commensurate with the size of the Company and the nature of the business. The principle functions, responsibilities and performance review requirements of the Board and the Chief Executive Officer (in this case the Executive Directors) are detailed in the Charter for the Board of Directors.

The functions, responsibilities, remuneration and terms of each Directors appointment are detailed in individual Letters of Appointment, and for Senior Executives in individual Employment Agreements, all prepared in accordance with the guidelines included in the Charter for the Board of Directors.

The Chairman reviews the performance of the Board, the individual Directors and the Board Committees on an annual basis utilising the detailed performance criteria set out in the Charter for the Board of Directors, and the relevant committee charters as a basis for measurement and such reviews will take place on a regular basis.

CORPORATE GOVERNANCE STATEMENT (CONTINUED)

PRINCIPLE 1: Lay solid foundations for management and oversight (continued)

As a matter of principle, the Board is committed to the ongoing development of both Individual Directors and the Board as a whole. In addition to the Chairman's review, the Board will also conduct an evaluation of its performance each year. The objective of these evaluations is to provide best practice corporate governance to the Company. Such a review can be;

- Qualitative, quantitative or a mixture of both;
- Formal or informal;
- Concentrated on reviewing the Board as a whole or Directors individually;
- Self administered, administered by the Chairman / fellow Directors or administered by an independent expert; or
- Focused internally on the Directors or involve the wider body of corporate stakeholders including, but not limited to, customers, suppliers, employees and the community.

The Chairman will action the evaluations, and obtain any assistance required.

Board responsibilities
The Board acts on behalf of Shareholders and is accountable to them, the Board seeks to satisfy the financial and management expectations of the Shareholders, as well as other regulatory and ethical expectations and obligations. In addition, the Board is responsible for identifying areas of significant business risk and ensuring arrangements are in place to adequately manage those risks.

The Board appoints a Chief Executive Officer ("CEO"), and the responsibility for the operation and administration of the Company is delegated to that person and the Executive team supported by detailed position descriptions and or KPIs (as applicable) for each position.

The Board will develop the proper procedures as required, to assess the performance of the CEO and the Executive team and to ensure that the Executive team is appropriately qualified and experienced to discharge its responsibilities:

- The Remuneration Committee (or the Board if a Remuneration Committee is not established) undertakes evaluation of the CEO, with the process coordinated by the Chairman.
- CEO evaluation will occur annually. At this time the Board and CEO will discuss and agree goals (both quantitative and qualitative) for the upcoming year.
- The Remuneration Committee (if established) will prepare a brief report for the full Board after discussion with the CEO. However, the performance of the CEO is a matter for full Board deliberation and is a separate agenda item at the relevant Board meeting.

The Board is responsible for ensuring that management's objectives, activities and outcomes are aligned to the expectations, vision and business risks identified by the Board. The Board has a number of mechanisms in place to ensure this is achieved including receipt of detailed reports, site visits and regular personal presentations to the Board.

Board policies
Board policies or obligations have been established in the following areas:

- diversity;
- continuous disclosure;
- dealing in securities;
- related party dealings;
- conflict of interest and external advice;
- release of information;
- significant business risks; and
- ethical standards.

CORPORATE GOVERNANCE STATEMENT (CONTINUED)

PRINCIPLE 1: Lay solid foundations for management and oversight (continued)

Diversity
The Board has always been aware of the advantages that may flow from diversity in respect to gender, age, ethnicity and cultural background and has taken those factors into account when considering new appointments at all levels within the Company. At present there are three directors including two mature age, plus three female employees / contractors (one of whom is the CFO) including one of differing ethnic background, making an aggregate of six.
The Board has adopted a Diversity Policy which is provided in full below. In addition the Board also adopted a Diversity Strategy which includes measurable objectives for achieving cultural, gender and age diversity, and the progress in achieving the objectives will be reported in each Annual Report to shareholders.

Having regard to small size of the Company and the current diversity of the Company's management, employees and contractors, the Board considers that it has complied as far as possible with the policy and objectives adopted.

Diversity Policy
The Diversity Policy adopted by the Board is as follows:

DIVERSITY POLICY

1. General Purposes and Principles

(a) The Company respects and values the competitive advantage of "Diversity", and the benefits of its integration throughout the Company, in order to enrich the Company's perspective, improve corporate performance, increase shareholder value, and enhance the probability of achievement of the Company's objectives ('Principle").

(b) This Principle will manifest itself in the following areas:
- (i) strategic and operational:
  - (A) being attuned to diverse strategies to deliver the Company's objectives;
  - (B) being attuned to diverse corporate, business and market opportunities; and
  - (C) being attuned to diverse tactics and means to achieve those strategies in (A) and to take advantage of those opportunities in (B).
- (ii) management:
  - (A) adding to, nurturing and developing the collective relevant skills, and diverse experience and attributes of personnel within the Company;
  - (B) ensuring the Company's culture and management systems are aligned with and promote the attainment of the Principle, including having regard for domestic responsibilities.

Note: in the context of this paragraph 1(b)(ii) "Diversity" constitutes people at relevant levels within the Company (including board, senior executive, management and otherwise) with a diverse blend of skills, experiences, perspectives, styles and attributes gained from life's journey, including on account of their culture, gender, age or otherwise.

(c) The Company will develop strategies, initiatives and programs to promote the Principle, including the achievement of gender diversity with respect to the matters referred to in paragraph 1(b)(ii).

(d) In particular, the Company will set measurable objectives, and targets or key performance indicators (KPIs), for the strategies, initiatives and programs to achieve gender diversity with respect to the matters referred to in paragraph 1(b)(ii).

(e) The Company will implement the strategies, initiatives, programs and measurable objectives referred to in (c) and (d).

(f) Management will monitor, review and report to the Board (including via the Nomination and Remuneration Committee) on the achievement of gender diversity with respect to the matters referred to in paragraph 1(b)(ii), and the Company's progress under this policy.

CORPORATE GOVERNANCE STATEMENT (CONTINUED)

PRINCIPLE 1: Lay solid foundations for management and oversight (continued)

2. Responsibility for the Policy

(a) Although the Board retains ultimate accountability for this Policy, the Board has delegated responsibility for Policy implementation to the CEO.

(b) In turn the CEO has delegated to the Company Secretary responsibility for administration of this Policy (including its reporting to the Board, or its relevant sub-committee, as appropriate.

3. Measurable Objectives, targets and Key Performance Indicators (KPIs) - Gender Diversity

With respect to gender diversity, management will:
(a) develop, for approval by the Board or its relevant sub-committee, as appropriate:
(i) measurable objectives concerning the strategies, initiatives and programs referred to in paragraph 1(c);
(ii) targets or KPIs to verify progress towards attainment of those measurable objectives.

(b) measure performance against those targets and KPIs;

(c) report from time to time on the progress of the matters referred to in (a) and (b).

4. Compliance Requirements

(a) The Company will meet its obligations with respect to the issue of "Diversity", as may be required under the ASX Corporate Governance Principles and Recommendations (2nd Edition) ("ASX Principles") and other regulatory requirements (if any) including by:
(i) establishing this Policy as a compliant policy under ASX Guideline 3.2(a) by:
(A) establishing measurable objectives for achieving gender diversity;
(B) the Board assessing annually the measurable objectives for achieving gender diversity and the progress in achieving them.
(ii) disclosing this policy or a summary of it under ASX Guideline 3.2 (b);
(iii) in its annual report, and in the terms of ASX Guideline 2.4, disclosing the processes the Board adopts and the criteria the Board takes into consideration in its selection of prospective new Board members;
(iv) in its annual report, and in the terms of ASX Principles 3.3 and 3.4, disclosing:
(A) the measurable objectives for achieving gender diversity set by the Board in the terms of this Policy;
(B) the progress from time to time towards achieving them;
(C) the proportions in the Company (relative to their male counterparts) of:
- female employees;
- females in senior executive positions;
- females on the Board.
(v) incorporating in the corporate governance statement in the Company's annual report a statement as to the mix of skills and diversity that the Board is looking to achieve in membership of the Board, in the terms of ASX Guideline 2.6.

(b) The Company Secretary will assume line responsibility to ensure the Company meets its compliance and reporting obligations referred to in (a), including by collecting and collating all relevant data and ensuring that management processes and systems are adequate and effective for such reporting obligations to be met.

5. Communication

The Company commits to the communication of this policy within the Company, to its shareholders and the market, including via its website:
(i) by way of transparency and accountability; and
(ii) to better promote the prospects of attainment of the Principle.

CORPORATE GOVERNANCE STATEMENT (CONTINUED)

PRINCIPLE 1: Lay solid foundations for management and oversight (continued)

6. Accountability

(a) Reporting and accountability in the terms of this Policy will be a periodic item on the Board agenda.
(b) At least annually the Nomination and Remuneration Committee will report to the Board on progress towards attainment of the Principle with respect to the matters referred to in paragraph 1(b)(ii), and otherwise to facilitate the Board in meeting its Compliance requirements under paragraph 4.

7. Addenda to this Policy

The following shall constitute addenda to this Policy as if set out in this Policy:
(a) approved strategies, initiatives and programs and measurable objectives, targets and KPIs referred to in paragraph1(c); and
(b) approved measurable objectives, targets and KPIs referred to in paragraph 1(d);
as may apply from time to time.

8. Overriding Caveat

Nothing in this policy shall be taken, interpreted or construed so as to endorse:
(a) the principle criteria for selection and promotion of people to work within the Company, other than their overall relative prospect of adding value to the Company and enhancing the probability of achievement of the Company's objectives;
(b) any discriminatory behaviour by or within the Company contrary to the law, or any applicable codes of conduct or behaviour for the Company or its personnel;
(c) any existing person within the Company in any way feeling threatened or prejudiced by this policy in their career development or otherwise, merely because of their Diversity attributes at any time may be more, rather than less, common with others.

Diversity Strategy
The Diversity Strategy lists the strategies, initiatives and programs, measurable objectives, targets and KPIs adopted by the Board on 5 May 2011 for the Group.

Most of the strategies, initiatives and programs have already been achieved or put in place necessitating amendments to the Charter for the Board of Directors and to the Charter for the Nomination & Remuneration Committee. The amended Charters may be viewed on the Company's web site.

The Strategy includes initiatives and programs designed to foster Diversity at Board level, at executive and management level and generally, commensurate with the nature and size of the Group. Progress with achievement of the Diversity Strategy will be reviewed by the Nomination & Remuneration Committee on an annual basis and the result reported to the Board. Progress will also be reported each year in the Directors' Report section of the Annual Report.

The role of the Chairman
The role of the Chairman is clearly defined in the Charter for the Board of Directors. In summary, the Chairman is responsible for leading the Board, ensuring Directors are properly briefed in all matters relevant to their role and responsibilities, facilitating Board discussions and managing the Board’s relationship with Shareholders and with the Company’s senior executives. The Chairman formally reviews the performance of the Board and the individual Directors on an annual basis.

The role of the CEO
The role of the CEO is also clearly defined in the Charter for the Board of Directors. In summary, the CEO is responsible for implementing the Company strategies and policies, achieving the Company objectives and managing the business of the Company. The CEO reviews the performance of his senior executives on an annual basis utilizing criteria similar to that applicable to himself, having regard to the position under review, the relevant position description and KPIs. Such reviews will lead in to the annual remuneration reviews.

CORPORATE GOVERNANCE STATEMENT (CONTINUED)

PRINCIPLE 1: Lay solid foundations for management and oversight (continued)

Board committees
Establishment of Board committees is commensurate with the size of the Company. Terms of Reference or Charters have been adopted for each committee responsibility and in the event that the Board retains a particular responsibility and does not establish a relevant committee, the adopted Terms of Reference or Charter for that responsibility will be utilised by the Board in the discharge of that responsibility.

Letters of Appointment and Employment Agreements
The functions, responsibilities, remuneration and terms of each Directors' appointment are detailed in individual Letters of Appointment as are the same for Senior Executives in individual Employment Agreements all prepared in accordance with the guidelines included in the Charter for the Board of Directors.

Governance
In view of the small size of the Company, the duty of governance is handled by the full Board and dealt with in accordance with the Charter for the Board of Directors and the Directors' Code of Conduct.

Nomination
In view of the small size of the Company, the duty of Nomination is handled by the full Board and dealt with in accordance with the specific charter adopted for a Nomination & Remuneration Committee and in accordance with the Charter for the Board of Directors and the Diversity Policy.

PRINCIPLE 2: Structure the Board to add value

The composition of the Board is determined in accordance with the following principles and guidelines:

- The Board should comprise at least three and no more than 9 Directors (determined by the Constitution) and at least two of the Directors shall ordinarily reside in Australia.
- The Chairman should preferably be an Independent Director.
- The Board shall comprise Directors with a diverse and appropriate range of qualifications and expertise and in the event of retirement of a Director with particular expertise, the Board, with the assistance of the Nomination & Remuneration Committee (if formed), will seek to appoint a Director with skills, experience and diversity attributes required to balance the needs of the Board in the operations of the Company, in accordance with the Diversity Strategy adopted by the Board.
- The Board shall meet on a regular basis as agreed by the Directors and follow meeting guidelines established to ensure that all Directors are made aware of, and have available all necessary information in a timely manner, to participate in an informed discussion of all agenda items.
- As required by the Constitution of the Company, all Directors of the Company (including the Executive Directors) are re-elected at each Annual General Meeting

The Directors in office at the date of this statement are:

- Chairman (executive) - Gavin William Harper
- Executive Director - Iain Peter Smith
- Non-executive Director - Conrad Dante Todd

Notwithstanding the ASX recommendations that a majority of the Board should be Independent Directors, the Board does not consider that there is a need to increase the number of Directors at this time. The Board maintains strict protocols to ensure that any potential or actual conflicts of interest and duty are properly identified and managed, to ensure Directors act in accordance with their fiduciary responsibilities.

CORPORATE GOVERNANCE STATEMENT (CONTINUED)

PRINCIPLE 2: Structure the Board to add value (Continued)

Independent Directors are independent of management, do not have a substantial shareholding (i.e. less than 5%) and are free from any business or other relationship which could materially interfere with the exercise of their judgement. The commentary provided by the ASX Corporate Governance Principles and Guidelines has been considered when evaluating the independence of the Directors concerned. The Company currently has one Independent Director, Conrad Dante Todd.

Non-Executive Directors are independent of management but either have or control a substantial shareholding in the Company, i.e. 5% or more.

The Director's Code of Conduct detailed in Principle 3 includes an acknowledgement that Directors may obtain independent legal advice in order to discharge their duties properly.

The Board has adopted a Charter for a Nomination & Remuneration Committee. The role of this committee is to provide advice and assistance to the Board on recruitment, appointment, removal, desirable competencies and performance appraisal of Directors and succession planning for the Board. In view of the small size of the Company, the Directors have resolved to handle this responsibility at Board level.

PRINCIPLE 3: Promote ethical and responsible decision-making

The Charter for the Board of Directors deals with this issue in respect to Directors, the senior executives, staff and consultants of the Company. In addition the Board has adopted a Directors' Code of Conduct which clarifies the standards of ethical behaviour required of the Directors and is relevant to several of the ASX Corporate Governance Principles. The Directors' Code of Conduct is available on the Company's web site. The following is a summary:

Directors' Code of Conduct - Overview
The Code of Conduct outlines the principles and standards Directors are required to abide by, and governs the way in which each of the Directors should conduct themselves in the discharge of their duties. This Code of Conduct should operate in addition to relevant laws that are in force from time to time and also in conjunction with all other Board Governance Policies.

1. Directors must act honestly, in good faith and in the best interests of the Company as a whole at all times.
2. Directors have a duty to use due care and diligence in fulfilling the functions of office and exercising the powers attached to that office.
3. Directors must always use the powers of the office for a proper purpose.
4. Directors must recognise that their primary responsibility is to the Company's members as a whole but must, where appropriate, have regard for the interests of all stakeholders of the Company.
5. Directors must not make improper use of information acquired as a Director.
6. Directors must not allow personal interests, or the interests of any Associated Person, to conflict with the interests of the Company.
7. Directors have an obligation to be independent in judgement and actions and to take all reasonable steps to be satisfied as to the soundness of all decisions taken by the Board.
8. Confidential information received by a Director in the course of the exercise of Directors' duties remains the property of the Company from which it was obtained and it is improper to disclose it, or allow it to be disclosed, unless that disclosure has been authorised by that company, or required by law.
9. Directors should not engage in conduct likely to bring discredit upon the Company.
10. Directors have an obligation, at all times, to comply with the spirit, as well as the letter of the law and with the principles of this Code.

The policy includes detailed guidelines for interpretation of the principles of the Code of Conduct

CORPORATE GOVERNANCE STATEMENT (CONTINUED)

PRINCIPLE 3: Promote ethical and responsible decision-making (Continued)

Charter for the Board of Directors
The Charter for the Board of Directors is structured to promote ethical and responsible decision-making throughout the Company. All Directors, executives, employees and consultants of the Company are expected to act with integrity and objectivity and maintain appropriate ethical standards and have the following duties:

- to act honestly, fairly and without prejudice in all commercial dealings and to conduct business with professional courtesy and integrity;
- to work in a safe, healthy and efficient manner, using their skills, time and experience to the maximum of their ability;
- to comply with applicable awards, Company policies and job requirements;
- not to knowingly make any misleading statements to any person or to be a party to any improper practice in relation to dealings with or by the Company;
- to ensure that the Company's resources and property are used properly;
- not to disclose information or documents relating to the Company or its business, other than as required by law and the ASX Listing Rules and not to misuse any information about the Company or any other members of the Group.

Trading in Company Securities
The Board has adopted a Directors and Officers Share Trading Policy which applies to all Directors, officers, senior management and other employees of the Company ("Designated Persons") and supports this Principle through its provisions against insider trading and market manipulation. The Policy is available on the Company's web site. In summary the trading restrictions are:

<u>Inside Information</u>
If a Designated Person has Inside Information (as defined in the policy) relating to the Company it is illegal for the Designated person to:
(a) deal in (that is, apply for, acquire or dispose of) the Securities or enter into an agreement to do so; or
(b) procure another person to apply for, acquire or dispose of the Securities or enter into an agreement to do so; or
(c) directly or indirectly communicate, or cause to be communicated, that information to any other person if the Designated Person knows, or ought reasonably to know, that the person would or would be likely to use the information to engage in the activities specified in paragraphs (a) or (b) above.

All Designated Persons are prohibited from trading in any Securities of the Company during recognised blackout periods and until 24 hours after an announcement to the ASX.

<u>Black Out Period</u>
Officers are not permitted to buy or sell the Company's shares from March 31 each year until after the half yearly results announcement is made to the market and from September 30 each year until after the announcement of the full year's results to the market or during the period commencing 4 weeks prior to the conclusion of any AGM of the Company.

<u>Excluded Trading</u>
Certain types of share trading transactions which are beyond the control of the Officer or result in no change to the beneficial holding of the Officer, are excluded from the restrictions imposed by the trading policy.

<u>Financial Products</u>
Designated Persons are not permitted to deal at any time in financial products without the prior approval of the Board, such as options, warrants, futures or other financial products issued over the Securities by third parties such as banks and other institutions. An exception may apply where the Securities form a component of a listed portfolio or index product.

Rampart

CORPORATE GOVERNANCE STATEMENT (CONTINUED)

PRINCIPLE 4: Safeguard integrity in financial reporting

The Audit & Risk Committee is charged with safeguarding the integrity of the Company's financial reporting by advising on and supervising internal controls and appropriate ethical standards for the financial and operational management and risk management of the Company. The committee also confirms the quality and reliability of the financial information prepared. The Company has adopted a detailed Charter for the Audit & Risk Committee.

The Charter for the Board of Directors sets out the membership and responsibilities of the Committee as follows. Ideally, the Audit Committee will comprise a majority of independent directors and / or non-executive directors one of whom will chair the meetings and should not contain any executive directors. The Committee responsibilities are:

- to review the adequacy of systems and standards of internal control with emphasis on risk management, financial reporting procedures and compliance;
- to review proposed announcements of financial results, financial statements, management questionnaires and external audit reports in advance of the Board;
- to receive any information it requires from management;
- to report its findings and recommendations directly to the Board;
- to provide a direct link from the Board to the external auditor, the nomination of the external auditor and reviewing the adequacy of the scope and quality of the annual statutory audit and half year audit review;
- to assess whether non-audit services provided by the external auditor are consistent with maintaining the external auditor's independence. Each reporting period the external auditor provides an independence declaration in relation to the audit or review; and
- to provide advice to the Board in respect of whether the provision of the non-audit services by the external auditor is compatible with the general standard of independence of auditors imposed by the Corporations Act 2001.

The Company only has one independent director and accordingly cannot form a properly structured Audit Committee. Consequently all Audit Committee functions are handled by the full Board.

The CEO and the Chief Financial Officer, as appropriate, must declare in writing to the board (see below) that the financial records of the Company for the financial year have been properly maintained, and that the Company's financial reports for the financial year comply with accounting standards and present a true and fair view of the Company's financial condition and operational results. This statement is required annually.

In the absence of an Audit Committee, the Chairman of the Board meets separately with the auditors as required from time to time to discuss the audit reviews and reports, to ensure that there are no outstanding issues and to assess the auditor's continuing independence.

The Company Auditor is invited to attend the Annual General Meeting and be available to answer any questions the Shareholders may care to ask in respect to the financial statements of the Company. The Company has not yet adopted formal procedures for the selection, appointment and rotation of external auditors.

Each year the CEO or the CFO will provide a statement to the Board in writing in respect to the integrity of the financial statements and the effective operation of the risk management and internal compliance and control systems.

Each year the CEO or the CFO will provide a statement to the Board that the Company's financial reports present a true and fair view, in all material respects, of the Company's financial condition and operational results and are in accordance with the relevant accounting standards. The statement also confirms that the assurance is founded on a sound system of risk management and internal compliance and control which implements the policies adopted by the Board.

CORPORATE GOVERNANCE STATEMENT (CONTINUED)

PRINCIPLE 5: Make timely and balanced disclosure

The Board is very conscious of its continuous and periodic disclosure obligations as set out in ASX Listing Rules 3 and 4 and has procedures in place to ensure that the requirements of those listing rules are met at all times. The standard Board meeting agenda includes a review of past, current and forthcoming events and results to determine if there is information that should be disclosed in accordance with the Company's Continuous and Periodic Disclosure Policy. The Company's Continuous and Periodic Disclosure Policy is reinforced in the Charter for the Board of Directors. The policy is as follows:

Policy
That the Company will do all things necessary to ensure compliance with Listing Rules 3 and 4 and to follow the guidelines and best practice recommendations as set out in Principle 5 where, in the opinion of the Board, those guidelines and recommendations are appropriate to the Company.

Policy Objectives
1. To establish a vetting and authorisation process designed to ensure that Company announcements:
   - are made in a timely manner;
   - are factual;
   - do not omit material information; and
   - are expressed in a clear and objective manner that allows investors to assess the impact of the information when making investment decisions.
2. To establish a process to promote understanding of compliance within the Company.
3. To safeguard the confidentiality of corporate information to avoid premature disclosure.

In respect to Periodic Disclosure, the Listing Rules and guidelines require that the Board will ensure that the Shareholders and the market are periodically provided with all information necessary to assess the performance of the Company and the Directors.

Information to allow investors to monitor the performance of the Company is communicated by means of:
- the Annual Report which is available for distribution to all Shareholders;
- the Half-Yearly Report which is available for distribution to all Shareholders;
- periodic reports and special reports when matters of material interest arise;
- the Annual General Meeting and other meetings called to obtain approval of any Board action as required; and
- The Company website.

Responsibility
All Directors, Senior Executives and the Company Secretary are responsible to ensure that the Company's continuous and periodic disclosure policy is adhered to. The CEO works with the Chairman in respect to dealing with media contact and any external communications, such as analyst briefings.

PRINCIPLE 6: Respect the rights of Shareholders

The Charter for the Board of Directors and the Director's Code of Conduct detailed at the beginning of this statement and the Directors and Officers Share Trading Policy detailed at Principle 3, all recognise legal and other obligations and support the legitimate interests of all stakeholders.

Fundamental to the rights of shareholders is an effective communication system utilising the methods detailed in Principle 5, and the Company web site. It is very important to ensure a clear and balanced understanding of the aims and objectives of the Company and the progress being made towards them, is readily determinable by interested parties.
The full text of Notices of General Meetings and any Explanatory Memoranda plus any other relevant announcements made to the market, and information provided to analysts, is placed on the Company web site immediately following release to the ASX.

CORPORATE GOVERNANCE STATEMENT (CONTINUED)

PRINCIPLE 7: Recognise and manage risk

The Audit & Risk Committee Charter requires the Committee (in this case the Board) to:

- ensure the Company's risk management policies and procedures are adequate;
- monitor compliance with the Company's risk management policies and procedures;
- keep itself appraised of the latest developments, policies and trends in relation to financial matters, rules and regulations to the extent that they may affect the Company or the market(s) in which the Company operates;
- oversee the establishment and implementation of a risk management system and review (at least annually) the effectiveness of the Company's implementation of that system;
- review the Company's internal financial control mechanisms and risk management policies;
- compile a risk profile of the material risks (including financial and non-financial matters) facing the Company;
- establish and implement a system for identifying, assessing, monitoring and managing material risk throughout the Company;
- review major non-financial regulatory matters through the use of a compliance monitoring reporting regime which covers the following areas of exposure:
    - environment;
    - safety and health;
    - asset protection (including insurance);
    - trade practices;
    - discrimination and harassment;
    - conflict of interest; and
    - ethical standards.

The Board oversees the establishment, implementation and annual review of the Company's risk management system. Management has established and implemented a risk management system for assessing, monitoring and managing all risks, including material business risks for the Group. The MD will provide a statement to the Board in writing in respect to the integrity of the financial statements and the effective operation of the risk management and internal compliance and control systems.

PRINCIPLE 8: Remunerate fairly and responsibly

If a Nomination & Remuneration Committee is established (see previous comments regarding committees) the committee is charged with the responsibility to review and make recommendations to the Board on remuneration packages and policies related to the Non-executive Directors, CEO and senior executives of the Company, and ensure that the remuneration policies and practices are consistent with the Company's strategic goals and human resource objectives. At the date of this statement, the Directors have resolved to handle this responsibility at Board level.

The Committee, in conjunction with the Chairman of the Company, will review the performance of the CEO against the agreed parameters and responsibilities.

The Board has adopted a detailed Charter for a Nomination & Remuneration Committee. The Charter includes the following:

- Objectives;
- Composition;
- Meetings;
- Access; and

CORPORATE GOVERNANCE STATEMENT (CONTINUED)

PRINCIPLE 8: Remunerate fairly and responsibly

- Duties & responsibilities including:
  - Recommendations for the appointment or removal of Directors;
  - assessment of necessary and desirable competencies including diversity attributes;
  - review succession plans;
  - evaluation of Board performance;
  - advice on Director's remuneration;
  - advice on CEO's remuneration;
  - advice on senior management remuneration;
  - employment packaging;
  - staff policy and procedures;
  - reporting; and
  - remuneration reviews.

Directors' Remuneration
If an Executive Director is appointed, suitable remuneration will be approved by the Board. The Non-executive Directors are paid Director's fees by the Company which may be in the form of a cash payment to the Director, cash conditional upon the purchase of shares in the Company or the issue of Options to acquire shares. Proper expenses incurred in the course of the Company's operations are reimbursed. The maximum aggregate amount of Non-Executive Director's fees must be approved by the Company in a General Meeting and in accordance with the Company's Constitution. The CEO, Independent and Non-executive Directors are not paid any retirement benefits other than superannuation.

The Board may, as it sees fit, established a Long Term Incentive Plan to encourage and reward enhanced performance by senior management and staff subject to the performance of the Company. The Executive Directors, Independent and Non-executive Directors do not participate in the scheme.

The Remuneration Report included each year in the Directors' Report component of the Annual Report, details the remuneration policies of the Company.

The Charter for the Nomination & Remuneration Committee (where appointed) includes the responsibility to assess the necessary and desirable competencies of the Board members and to evaluate the performance of the Board.

Company Web Site
This Statement of Corporate Governance, together with any other relevant Corporate Governance information, is available in the Corporate Governance section of the Company website at www.rampartenergy.com.au .

Governance and policy reviews
The Corporate Governance policies and practices of the Company are reviewed annually in accordance with the standards required of the Company by the Directors, the ASX, ASIC and other relevant stakeholders, to ensure that the appropriate governance standards are maintained.

RAMPART ENERGY LTD
AND CONTROLLED ENTITIES
ABN 86 115 229 984

AUSTRALIAN SECURITIES EXCHANGE LIMITED
ADDITIONAL INFORMATION AS AT 22 DECEMBER 2014

Additional information required by the ASX Limited and not shown elsewhere in this report is as follows:

a) Twenty largest holders of ordinary shares

TOP 20 SHAREHOLDERS	Number of Shares	Held %
PERSHING AUSTRALIA NOMINEES PTY LTD <ARGONAUT ACCOUNT>	33,000,000	6.25
WASHINGTON H SOUL PATTINSON & COMPANY LTD	11,397,223	2.16
WASHINGTON H SOUL PATTINSON AND COMPANY LIMITED <CORPORATE A/C>	9,523,810	1.80
CHIFLEY PORTFOLIOS PTY LTD <DAVID HANNON RETIRE A/C>	9,000,000	1.71
PEGARI PTY LIMITED	7,000,000	1.33
MR DANIEL HUME KENNEDY + MRS DAWN EMMA KENNEDY	6,785,712	1.29
HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	6,558,445	1.24
MR PRAKASH BARUWAL CHHETRI	6,383,333	1.21
MR SAM FRANCIPANE	6,000,000	1.14
MR SEBASTION ROBERT MOORE	6,000,000	1.14
TIM N LEONIE PTY LTD <TIM N LEONIE SUPER FUND A/C>	6,000,000	1.14
SL CURTIS PTY LTD <THE RICHARD IAN RICE A/C>	5,769,473	1.09
MR BARRY ARTHUR WAUGH	5,600,000	1.06
DR DENNIS JONATHAN KAR QUE LUM <DENNIS JONATHAN KAR QUE A/C>	5,183,334	0.98
MR RAYMOND D SHAW + MS RITA B JONES	5,075,977	0.96
ACRES HOLDINGS PTY LTD <NOEL EDWARD KAGI FAMILY A/C>	5,000,000	0.95
MR RAPHAEL LINCOLN-SMITH	4,719,000	0.89
MRS JUDITH SUZANNE PIGGIN + MR DAMIEN JAYE PIGGIN + MR GLENN ADAM PIGGIN <PIGGIN FAMILY S/F A/C>	4,460,000	0.84
MR NORMAN ZILLMAN + MRS LORRAINE ZILLMAN <THE BANNERBLOCK S/FUND A/C>	4,149,895	0.79
WARRIMOO HOLDINGS PTY LTD	4,100,000	0.78
Total Top 20	**151,706,202**	**28.74**
Total Remaining Holders Balance	376,786,075	71.26
Issued Capital	**528,492,277**	**100.00**

b) Distribution of Equity Securities

Currently there are 528,492,277 shares held by 1,337 shareholders.

Range	Holders
1 - 1,000	203
1,001 - 5,000	256
5,001 - 10,000	156
10,001 – 100,000	464
100,001 - over	539
Total	1,618

c) The number of holders of less than a marketable parcel

1,165 holders, holding 34,434,190 shares

d) Substantial shareholders

PERSHING AUSTRALIA NOMINEES PTY LTD <ARGONAUT ACCOUNT>	33,000,000	6.25%

AUSTRALIAN SECURITIES EXCHANGE LIMITED
ADDITIONAL INFORMATION AS AT 22 DECEMBER 2014

e) Voting rights

Ordinary Shares: On a show of hands, every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Options: No voting rights.

f) Escrowed Securities

There are no securities held under escrow at the date of this report.

g) On-market Buy-backs

There is no current on–market buy back at the date of this report.