



Quarterly Report

31 March 2015

MORETON RESOURCES

Creating Value from Carbon Materials and Energy

QUARTERLY SUMMARY

Moreton Resources is continuing to make progress in a very subdued market, and believes that the current position of the Company, and the work that has led us to this point, will result in achievement of our next phase of growth in the short to mid-term. We therefore are positive about the calendar year of 2015 and are pleased to outline the last quarter's progress within this report.

Highlights of the current quarter are:

- In March the market was updated about the progress of our Mackenzie drilling program, with Low Volatile coal identified through our analysis program, and a JORC is expected to be released within the next two months.
- Announcement of the Research and Development Incentive payment, from a revised 2012 claim which amounted to \$498,000 and a further \$30,932 in associated interest payments.
- The Company announced in March the lodgement of its revised 2013 Research and Development Incentive claim for approximately \$4,695,000.
- Considerable business development opportunities were assessed and continue to be assessed by the Company. The market will be updated should a material opportunity progress.
- Moreton Resources finalised the below ground rehabilitation plans for the old UCG site on MDL385, and as such went to tender on the associated works. Several programs of work have been awarded to date, to a local service provided within the Kingaroy region. This has reinforced our commitment to support the local communities in which we operate.

The Company continues to evaluate costs and has reduce corporate operating costs. However we continue to expend operating funds on advancement of our Mackenzie Asset, our obligations in rehabilitation of Kingaroy, and ensuring all of our tenements are in good standing.

A suitable candidate for the role of Non-Executive Director has been identified and talks have been in progress over the past several weeks, with an announcement due in the coming days upon that appointment.

1.0 TENEMENTS and PROJECTS

Statement of Tenement Status

Tenement	Status	Region	Name	Equity Interest (%) *	
				30 Sept '14	31 Dec '14
EPC 1445	Granted	Bowen Basin	Mackenzie	100	100
MDL 503	Granted	Bowen Basin	Mackenzie	100	100
MDL 420	Granted	Surat Basin	Wandoan	100	100
MDL 385	Granted	Tarong Basin	Kingaroy	100	100

* MDL420 is 99% owned by Moreton Resources Ltd parent company and 1% owned by a fully owned subsidiary of the parent company.

Kingaroy Project (Tarong Basin, MDL 385)

The Company continues to advance rehabilitation obligations, as to it continues to evaluate the next phase of advancement of the Kingaroy project.

Mackenzie Project (Bowen Basin, EPC 1445, MDL 503)

Our drilling campaign is currently looking at finalising in early May 2015, with a JORC likely to be released to the market within the follow 6 weeks of the final drill data being dispatched.

Wandoan (Surat Basin, MDL 420)

The Company has put forward a proposal to an interested party in regards to advancement of the Wandoan asset, and at such time as something material comes from this, the market will be updated.

2.0 BUSINESS DEVELOPMENT

Whilst the Company has researched several potential assets for acquisition, all options remain incomplete as at the end of March 2015. While conditions in the junior mining sector remain challenging, this is generating a number of potentially attractive investment options for Moreton Resources, particularly in precious metals and minerals.

The Company is continuing to apply a disciplined and rigorous approach, focused on utilising our cash resources to acquire a project that delivers reasonable proximity to cash flow, manageable capital costs and minimal development risk.

3.0 FINANCE AND COMMERCIAL

Moreton Resources continue to maintain a strong cash position, with total cash at bank of \$5.0 million at the end of the quarter.

Net cash outflows of \$261,000 were recorded in the March quarter, with outgoings being partially offset by the receipt of \$80,000 of interest and \$498,000 from the amended 2012 Research and Development Tax Incentive. Outgoings included payments associated with progressing the Kingaroy (\$65,000) and Mackenzie (\$339,000) tenements and \$380,000 on Administration. March quarter saw the lowest quarterly Administration spend this financial year.

During the current quarter administrative expenses are expected to remain steady with approximately \$180,000 forecast to be spent on rehabilitation at MDL385 and \$360,000 forecast to be spent in finalising the MacKenzie exploration program.

4.0 COMPANY OUTLOOK

The Company will continue to review current and potential prospects of interest, looking to advance our growth strategy.

We continue to invest in our coal assets and hold a long term view that these will have significant value in an upward coal cycle. Given the current position of the Company, we have the ability to maintain these assets and await for the right commodity pricing, to then fully realise their value.

We look forward to updating the market on any potential merger and/or acquisition efforts and the advancement of our coal assets.

Jason Elks
Chief Executive Officer

COMPETENT PERSON STATEMENT: The information in this report that relates to MDL385, MDL503 & MDL 420 is extracted from ASX announcements titled: *JORC Update for Kingaroy MDL385 – reissued* on 8 August 2014, ASX announcement titled *Mackenzie PCI Coal Maiden Resource Statement* issued on 17 July 2013 and *Wandoan Thermal Coal Project Resources Update* issued on 14 November 2013 respectively. These announcements contain a separate Competent Person Statement and are available to view on the Company's website: www.moretonresources.com.au.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources or Ore Reserves that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.