RAMPART ENERGY LIMITED

CONDENSED CONSOLIDATED HALF YEAR REPORT

FOR THE SIX MONTHS ENDED 31 MARCH 2015

RAMPART ENERGY LIMITED
AND CONTROLLED ENTITIES
ABN 86 115 229 984

Rampart

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COMPANY INFORMATION

Directors	
Gavin William Harper	Chairman, Executive Director
Iain Peter Smith	Executive Director
Conrad Dante Todd	Non-Executive Director
Rory James McGoldrick	Non-Executive Director
Secretary	
David McArthur	Company Secretary
Registered Office	
In Australia	Level 2, 55 Carrington Street, Nedlands, WA 6009 Ph: 08 9423 3200
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: 61 3 9415 5000

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

DIRECTORS' REPORT (CONTINUED)
31 MARCH 2015

Your Directors submit the financial report of Rampart Energy Limited ("Company") and its subsidiaries ("Group") for the half-year ended 31 March 2015. In order to comply with the provisions of the *Corporations Act 2001,* the directors report:

Directors

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

Name	Position	Date appointed	Date resigned
Gavin Harper	Chairman–Executive	17 March 2014	-
Iain Smith	Executive Director	10 February 2014	-
Conrad Todd	Non-Executive Director	02 July 2014	-
Rory McGoldrick	Non-Executive Director	14 May 2015	-

Directors held office for the entire period unless otherwise stated.

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.

There were no other significant changes to those activities during the period under review.

Consolidated Results

Summary

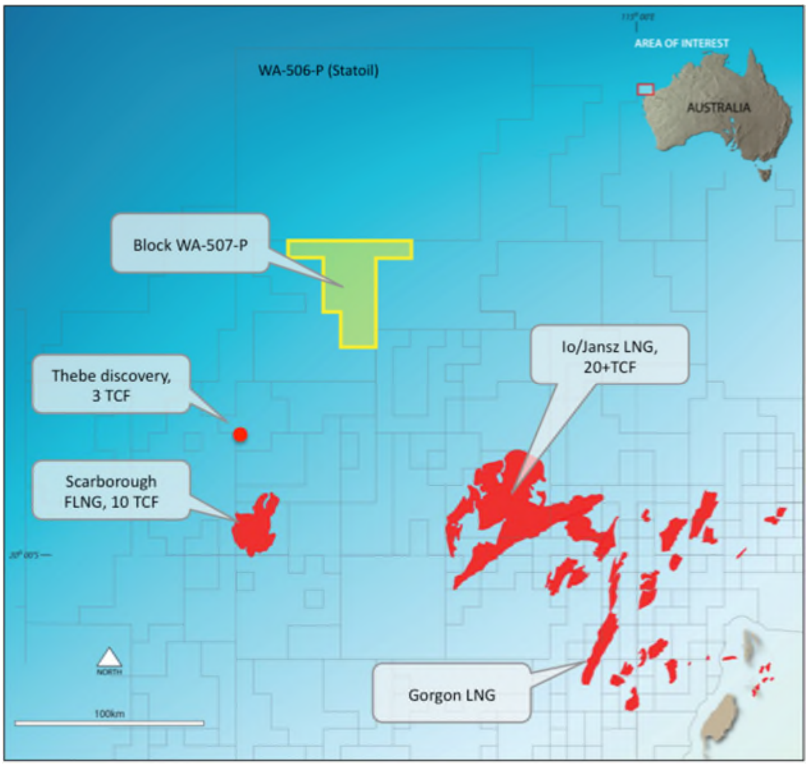
- Acquisition of two new Australian exploration projects, WA-507-P and WA-503-P
- Independent expert report confirmed potential for up to 21 Tcf gas within WA-507-P prospects
- Completed filing for US$3.7 million of NOL credit pertaining to Alaskan Western Block project
- Suspension of litigation in relation to Alaskan project, in order to allow parties to mediate in good faith
- Significant corporate cost savings, including closure of Adelaide office

Australia: WA-507-P Exploration Permit

In November 2014 Rampart Energy secured the rights to 80% working interest, as Operator, in the recently awarded WA-507-P exploration permit. Shortly thereafter the Company announced the results of an independent prospective resource assessment by Gaffney Cline & Associates (GCA), confirming the potential for multi-Tcf gas/condensate discoveries within the permit (refer ASX announcement dated 25 February 2015).

GCA's report on the three exploration leads delineated by the Company thus far determines the total gross prospective gas resources within the permit to be as follows:

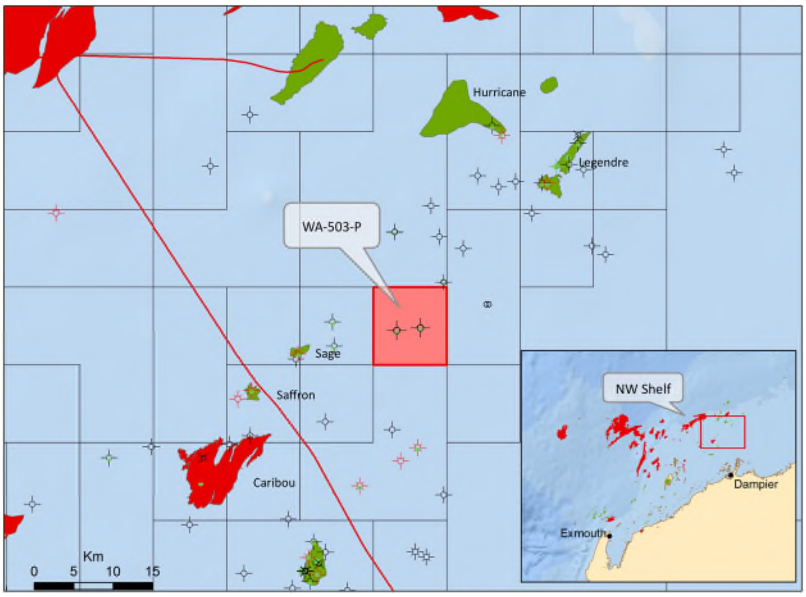
Lead	Low (Bscf)	Best (Bscf)	High (Bscf)
Dalia Updip	1,644	4,734	9,639
Beta	1,010	2,436	5,674
Gamma	1,376	2,877	5,786



Block WA-507-P covers an area of 1,622 km^2 over the Exmouth Plateau, located some 300 km offshore Western Australia in water depths of 1,000 to 1,500 metres. The block is covered by an existing, high quality 3D seismic dataset, which reveals the presence of a number of large exploration leads, ranging from 60 km^2 to 280 km^2 in area. An emerging oil play exists in the block, based on hydrocarbon shows encountered in the Dalia South-1 well located in the south of the block. Further geological studies are required to mature the oil play, and therefore at this stage the Company has not commissioned an independent estimate of prospective oil resources for the block.

The WA-507-P permit carries a 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, balance of which is payable by 18 February 2016). A discretionary well may be drilled at any time in or before year six. Adjacent permit WA-506-P was recently awarded to Statoil ASA with a $50 million 2D and 3D seismic commitment, reflecting well on the prospectivity of WA-507-P.

Australia: WA-503-P Exploration Permit



In March 2015 Rampart Energy announced an agreement through which the Company has secured rights to an 80% working interest (as Operator) in exploration permit WA-503-P, from Neon Energy Ltd for nil consideration, in return for assuming Neon Energy's commitments pertaining to the permit.

Block WA-503-P is located offshore Western Australia within the Dampier Sub-basin, inboard of the giant Northwest Shelf complex and on trend with numerous oil and gas discoveries, including the Legendre and Hurricane fields. The shallow water depth across the block (maximum 70 metres) allows for drilling by lower cost "jack up" drilling rigs.

The WA-503-P exploration permit carries a three-year primary term that includes a commitment to acquire 80km^2 of new "Broadband" 3D seismic data and complete various geological and geophysical studies. The seismic commitment is incorporated in to the first year of the permit, expiring in May 2015, and Rampart Energy will approach the National Offshore Petroleum Titles Administrator (NOPTA) in order to determine the best way to implement an appropriate work program over the block.

The primary exploration focus will be Lower Cretaceous to Upper Jurassic sandstone reservoirs within the oil rich Legendre Trend, situated along the eastern flank of the Lewis Trough. Existing exploration wells within and adjacent to the block confirm the presence of a working oil system, having encountered oil shows and a 4 metre oil column. The decommissioned Legendre field is situated some 20 km to the northeast of the block, and produced over 40 MMbbl of oil from excellent quality sandstone reservoirs. The most recent discovery in the area, Hurricane, is believed to contain over 100 MMbbl of oil in place (plus associated gas and condensate) within a structural/stratigraphic combination trap. This is one of the play types being targeted by Rampart Energy, which has already identified four exploration leads based on existing 3D seismic data.

The assignment of Rampart Energy's 80% working interest remains subject to the pending approval of NOPTA.

Alaska: Western Block Exploration Project

Following postponement of drilling of two exploration wells in the Western Block during the recent winter drilling season, Rampart Energy has been in dispute with partner Royale Energy. Rampart Energy and Royale Energy continue to seek a commercial resolution to the dispute, in parallel with the early stages of litigation initiated by both parties. In May 2015 the Company announced that litigation has been suspended by both parties, for a period of sixty days, in order to allow the parties to mediate in good faith.

In February 2015 Rampart Energy filed its application to receive an approximate US$3.7 million reimbursement from the State of Alaska, in the form of a net operating loss (NOL) credit. This is in addition to the US$3.1 million of reimbursements already applied for under the State of Alaska's exploration tax credit structure. Both reimbursements relate to the US$7.8 million "Big Bend" 3D seismic program, completed in the Western Block, North Slope Alaska, in early 2014. The majority of the proceeds will be used to pay down funds drawn against the Company's ACES credit facility, with any remaining funds to be allocated towards working capital. Rampart expects the reimbursements to be credited during 2015.

Corporate Summary

The new Board of Rampart Energy has implemented a new ventures program in order 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. This program has rapidly resulted in the acquisition of the WA-507-P and WA-503-P projects, both of which have been secured under favourable and achievable commercial terms. Rampart Energy will be Operator of both of these projects, providing an important degree of control over work programs and associated costs. The Company continues to evaluate a number of additional new opportunities, with a view to further expanding its portfolio of projects.

Subsequent Events

On 14 May 2015, Mr Rory McGoldrick was appointed as a director of the company.

On 14 May 2015, Mr David McArthur was appointed as Company Secretary of the company.

On 8 May 2015, the Company announced the suspension of Alaskan litigation for sixty days in order for the parties to mediate.

Auditors

A copy of the Auditor's Independence Declaration as required under s307C of the Corporations Act 2001 is included on page 7 of this financial report and forms part of this Directors Report.

The Company's Auditors, Grant Thornton, Chartered Accountants have completed a review of the Interim Financial Result for the six months period ended 31 March 2015.

This report is signed in accordance with a resolution of the Board of Directors made pursuant to s306(3) of the *Corporation Act 2001.*

Gavin Harper
Chairman
Perth, 3rd day of June 2015

DIRECTORS' DECLARATION
FOR THE HALF-YEAR ENDED 31 MARCH 2015

In the opinion of the Directors of Rampart Energy Limited:

1. The consolidated financial statements and notes are in accordance with the *Corporations Act 2001*, including:
   a) giving a true and fair view of the financial position of the consolidated entity as at 31 March 2015 and of its performance, for the period ended on that date; and
   b) complying with International Accounting Standard AASB 134 "Interim Financial Reporting" and the Corporations Regulations 2001; and
2. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of Directors made pursuant to Section 303(5) of the *Corporations Act 2001*.

On behalf of the Directors

Gavin Harper
Chairman
Dated this 3rd day of June 2015

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

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the review of Rampart Energy Limited for the half-year ended 31 March 2015, 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 review; and

b No contraventions of any applicable code of professional conduct in relation to the review.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

S K Edwards
Partner – Audit & Assurance

Adelaide, 3 June 2015

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF RAMPART ENERGY LIMITED

We have reviewed the accompanying half-year financial report of Rampart Energy Limited ("Company"), which comprises the consolidated financial statements being the statement of financial position as at 31 March 2015, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a statement or description of accounting policies, other explanatory information and the directors' declaration of the consolidated entity, comprising both the Company and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' responsibility for the half-year financial report

The directors of Rampart Energy Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such controls as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the consolidated half-year financial report based on our review. We conducted our review in accordance with the Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the Rampart Energy Limited consolidated entity's financial position as at 31 March 2015 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of Rampart Energy Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence
In conducting our review, we complied with the independence requirements of the Corporations Act 2001.

Conclusion
Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Rampart Energy Limited is not in accordance with the Corporations Act 2001, including:

a giving a true and fair view of the consolidated entity's financial position as at 31 March 2015 and of its performance for the half-year ended on that date; and

b complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

Material uncertainty regarding going concern
Without qualifying our opinion, we draw attention to Note 15 in the financial report which indicates that the consolidated entity incurred a net loss of $1,816,700 during the period ended 31 March 2015 and, as of that date, the consolidated entity's current liabilities exceeded its current assets by $8,922,154. These conditions, along with other matters as set forth in Note 15, indicate the existence of a material uncertainty which may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity 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.

Material uncertainty regarding legal dispute

Without qualifying our opinion, we draw attention to Note 10 in the financial report in relation to the contingent liability. Royale Energy Inc has issued a claim against Rampart Energy Limited to which Rampart Energy Limited have issued a counter claim. At the date of this report there is significant uncertainty as to the likely resolution and the impact of a financial settlement of the proceedings to the financial position of Rampart Energy Limited. These conditions, along with other matters as set forth in Note 10, indicate the existence of a material uncertainty regarding the outcome of this settlement.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

S K Edwards
Partner – Audit & Assurance

Adelaide, 3 June 2015

RAMPART ENERGY LIMITED AND CONTROLLED ENTITIES

ABN 86 115 229 984

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2015

	31 March 2015 $	30 September 2014 $
ASSETS		
Current		
Cash and cash equivalents	**591,026**	2,629,375
Trade and other receivables	**154,099**	42,723
Other assets	**36,731**	85,381
	781,856	2,757,479
Non-Current		
Restricted Cash	**1**	1
Property and Equipment	**2,090**	5,500
Oil and Gas Interests (Note 6)	**12,155,766**	10,598,721
	12,157,857	10,604,222
Total Assets	**12,939,713**	13,361,701
LIABILITIES		
Current		
Trade and other payables	**1,701,957**	1,359,685
Borrowings (Note 7)	**8,002,053**	7,498,400
	9,704,010	8,858,085
Total Liabilities	**9,704,010**	8,858,085
NET ASSETS	**3,235,703**	4,503,616
EQUITY		
Issued Capital (Note 8)	**38,758,016**	38,763,813
Share Reserve (Note 8)	**560,644**	427,043
Foreign Exchange Reserve	**343,969**	(77,014)
Other Components of Shareholders Equity	**1,406,355**	1,406,355
Accumulated Losses	**(37,833,281)**	(36,016,581)
TOTAL EQUITY	**3,235,703**	4,503,616

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

RAMPART ENERGY LIMITED
AND CONTROLLED ENTITIES
ABN 86 115 229 984

Rampart

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	For the Six Months Ended 31 March 2015 $	2014 $
Interest income	**7,361**	9,028
Revenue	**7,361**	9,028
Expenses		
Administration costs		
Salaries and benefits	**33,916**	144,539
Equity settled share based payment (Note 13)	**13,601**	274,998
Accounting fees	**49,823**	36,000
Professional fees	**354,885**	211,983
Insurance	**31,339**	32,102
Shareholder costs	**29,365**	65,698
Office and administration costs	**78,720**	42,345
Directors' fees	**70,000**	34,074
Travel and promotion	**2,046**	95,584
Finance costs		
Unwinding of discount	**-**	(5,799)
Interest expenses	**488,341**	-
Bank and facility charges	**1,967**	621
Other expenses		
Loan impairment expenses	**296,947**	45,619
Project costs not capitalised	**369,700**	-
Equipment amortization	**3,411**	3,106
Loss Before Income Tax Expense	**(1,816,700)**	(971,842)
Tax charge -deferred tax asset on share issue cost	**-**	(207,897)
Total Loss For The Period	**(1,816,700)**	(1,179,739)
Other Comprehensive Income For The Period, Net of Tax		
Items that may be classified subsequent to profit or loss		
Exchange gain/(loss) differences arising on the translation of foreign operations	**420,983**	204,237
Total Comprehensive Loss For The Period Attributable to Members	**(1,395,717)**	(975,502)
Earnings Per Share (Note 5):		
Basic and diluted in cents	**(0.003)**	(0.005)
Weighted Average Number Of Common Shares Outstanding:		
Basic and diluted	**519,408,943**	227,303,172

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

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	For the Six Months ended 31 March	
	2015	**2014**
	$	**$**
Cash Flows Provided From Operating Activities		
Payment to suppliers and employees	**(540,059)**	(791,308)
Payment in respect of loan interest	**(488,340)**	-
Net Cash (used) by Operating Activities	**(1,028,399)**	(791,308)
Investing Activities		
Payments for exploration activities	**(256,936)**	(11,880,758)
Purchase of property, plant and equipment	**-**	(675)
Payments in respect for loan	**-**	-
Net Cash (used) by Investing Activities	**(256,936)**	(11,881,433)
Financing Activities		
Share subscriptions received net of share issue cost	**(5,797)**	7,311,351
Loan repayment	**(1,252,826)**	-
Loan proceeds	**488,340**	6,976,390
Net Cash provided by Financing Activities	**(770,283)**	14,287,741
(Decrease)/Increase In Cash and Cash Equivalent	**(2,055,618)**	1,615,000
Cash and Cash Equivalent at Beginning of Period	**2,629,375**	948,004
Exchange differences on cash and cash equivalents	**17,269**	-
Cash and Cash Equivalent at End of Period	**591,026**	2,563,004

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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS PERIOD ENDED 31 MARCH 2015

	Share Capital $	Foreign Exchange Transac-tions $	Share Reserve $	Other Components of Share-holders Equity $	Accumulated Losses $	Total $
Balance at 1 October 2013	28,784,588	(69,977)	137,833	1,406,355	(27,178,596)	3,080,203
Profit/(loss) for period	-	-	-	-	(1,179,739)	(1,179,739)
Other comprehensive income	-	204,237	-	-	-	204,237
Recognition of share based payments	-	-	522,373	-	-	522,373
Shares issued during the period	8,191,838	-	-	-	-	8,191,838
Share issue costs	(1,015,362)	-		-	-	(1,015,362)
Share issue costs deferred tax	207,897	-	-	-	-	207,897
Balance at 31 March 2014	**36,168,961**	**134,260**	**660,206**	**1,406,355**	**(28,358,335)**	**10,011,447**
Balance at 1 October 2014	38,763,813	(77,014)	427,043	1,406,355	(36,016,581)	4,503,616
Profit/(loss) for period	-	-	-	-	(1,816,700)	(1,816,700)
Other comprehensive income	-	420,983	-	-	-	420,983
Recognition of share based payments	-	-	133,601	-	-	133,601
Share issue costs	(5,797)	-	-	-	-	(5,797)
Balance at 31 March 2015	**38,758,016**	**343,969**	**560,644**	**1,406,355**	**(37,833,281)**	**3,235,703**

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

NOTES TO FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 MARCH 2015

1. NATURE OF OPERATIONS

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.

2. SIGNIFICANT ACCOUNTING POLICIES

Basis of preparation of the Half-Year Financial Report

The condensed interim consolidated financial statements (the interim financial statements) of the Group are for the six months ended 31 March 2015 and are presented in Australian dollars ($), which is the functional currency of the parent company. These general purpose interim financial statements have been prepared in accordance with the requirements of the *Corporations Act 2001* and AASB 134 *Interim Financial Reporting*. They do not include all of the information required in annual financial statements in accordance with Australian Accounting Standards, and should be read in conjunction with the consolidated financial statements of the Group for the year ended 30 September 2014 and any public announcements made by the Group during the half-year in accordance with continuous disclosure requirements arising under the Australian Securities Exchange Listing Rules and the *Corporations Act 2001*.

The interim financial statements have been approved and authorised for issue by the board of directors on 3 June 2015.

The condensed consolidated financial statements have been prepared on a historical cost basis, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are stated in Australian dollars unless otherwise noted.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the company's 2014 Annual Report for the financial year ended 30 September 2014. These accounting policies are consistent with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board.

The accounting policies have been applied consistently throughout the Group for the purposes of preparation of these interim financial statements.

The interim financial statements have been prepared in accordance with the accounting policies adopted in the Group's last annual financial statements for the year ended 30 September 2014, except for the application of the following standards:

- AASB 1031: Materiality
- AASB 2013-9, Conceptual Framework, Materiality and Financial Instruments
- AASB 2014-2, Amendments to AASB 1053 – Transition to and between Tiers, and related Tier 2 Disclosure Requirements
- AASB 2014-1, Amendments to Australian Accounting Standards Part A, B and C

These standards make changes to a number of existing Australian Accounting Standards and are not expected to result in a material change to the manner in which the Group's financial result is determined or upon the extent of disclosures included in future financial reports.

Management has reviewed the new requirements of the above standards and has concluded that there is no effect on the classification or presentation of balances.

3. ESTIMATES

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 the same as disclosed in the Group's last annual financial statements for the year ended 30 September 2014.

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 period 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 periods.

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.

3. ESTIMATES (continued)

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 up to an 85% tax credit for eligible 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:

- 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 31 March 2015 the rebate is estimated at $8,931,193 (USD$6,818,073) (30 September 2014 $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 recognised once Alaskan DOR notice has been received.

4. SIGNIFICANT EVENTS AND TRANSACTIONS

The financial report has been prepared on a going concern basis. The Consolidated Group has recorded a loss for the period after tax of $1,816,700 (March 2014: $1,179,739) and at 31 March 2015 net current liabilities exceeded net current assets by $8,922,154 (30 September 2014 $6,100,606). The decrease in working capital primarily relates to the ACES facility increase of $488,341 of interest; project costs $256,936 and foreign exchange increase including ACES facility foreign exchange increase of $988,799.

The ACES facility of $8,076,600 plus future interest charges will be paid by:

- $130,186 (USD $99,114) principal paid in cash transferred in March 2015 to repay interest due on Tranche B after March 2015 to new maturity date;
- $4,114,666 (USD $3,141,136) of Alaskan tax credit expected to be received in July 2015. The 40% tax credits are not shown as assets at the period end; and
- $4,816,527 (USD $3,676,937) of Alaskan tax credit expected to be received in September 2015. The 45% tax credits are not shown as assets at the period end.

5. EARNING 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 either period.

a) Earnings used in calculating earnings per share

	31 March 2015 $	31 March 2014 $
Continuing Net loss attributable to ordinary equity holders of the parent	**1,816,700**	1,179,739

5. EARNING PER SHARE (continued)

b) Weighted average number of shares

	31 March 2015 Number	31 March 2014 Number
Weighted average number of ordinary shares for basic earnings per share	**519,408,944**	227,303,172
Effect of dilution: Share options	**-**	-
Weighted average number of ordinary shares adjusted for the effect of dilution	**519,408,944**	227,303,172

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.

6. OIL AND GAS INTERESTS

	Opening Cost $	**Additions $**	**Disposals/ Write-Down of Interests $**	**Foreign Exchange Movement $**	**31 Mar 2015 Net Book Value $**	30 Sept 2014 Net Book Value $
Undeveloped oil & gas interests						
- United States of America	10,598,721	-	-	1,322,554	**11,921,275**	10,598,721
- Australia	-	234,491	-	-	**234,491**	-
	10,598,721	234,491	-	1,322,554	**12,155,766**	10,598,721

Capitalised Expenditure

There has been $234,491 (30 September 2014: $14,219,867) of capitalised project expenditure in the Consolidated Entity since the prior period.

During the current period $nil (30 September 2014: $5,569,986 and 31 March 2014; $nil) of capitalized expenditure; and $369,700 (30 September 2014 and 31 March 2014; $nil) of non-capitalized expenditure was written off to the statement of profit or loss and other comprehensive income.

6. OIL AND GAS INTERESTS (continued)

Tenement description	Tenement details/code	31 March 2015 $	30 September 2014 $
North Slope Project , Alaska USA[(1)]	North Slope	**11,921,275**	10,598,721
WA-507-P Western Australia	WA-507-P	**227,744**	-
WA-503-P Western Australia	WA-503-P	**6,747**	-
Total		**12,155,766**	10,598,721

Notes:

(1) The North Slope project costs have been written off as incurred since 1 October 2014. The capitalized project costs have been reduced by $nil (30 September 2014: $5,569,986 and 31 March 2014; $nil) 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 $8,931,193 not recognized until approved by the Alaskan government department; that will be deducted from the North Slope asset in the next six months, refer to Note 7 for further details.

Interests held by the Consolidated Entity are listed below.

Tenement reference and location	Nature of interest	Interest at beginning of period	Interest at end of period
WA-503-P Western Australia	See (a)	-	80%
WA-507-P Western Australia	See (b)	-	80%
North Slope Western Block Project Alaska USA	See (c)	30%	30%
Baxter Joint Venture Township 19 North Range 106 West Wyoming USA	See (d)	15%	15%

Nature of interest

(a) In March 2015 Rampart Energy secured the rights to an 80% working interest (as Operator) in the WA-503-P exploration permit, subject to the pending approval of NOPTA.

(b) In November 2014 Rampart Energy secured the rights to an 80% working interest (as Operator) in newly awarded WA-507-P exploration permit, the assignment of which was approved by NOPTA during the reporting period.

(c) The interests are held by Rampart Alaska LLC, and were earned through the Company's Participation Agreement with Royale Energy.

(d) The interests are held by Spring River Resources LLC.

7. BORROWINGS

	31 March 2015 $	30 September 2014 $
Current		
Secured – at amortised cost		
Term loan Tranche A		
Term loan Tranche A - maturity date September 2015	**3,997,543**	3,682,891
Interest charged	**244,166**	314,652
Less repaid	**(621,847)**	-
Foreign exchange difference on translation	**508,765**	-
	4,128,627	3,997,543
Less transaction costs	**(360,676)**	(360,676)
Transaction costs written off	**286,129**	230,633
Total term loan Tranche A after transaction costs	**4,054,080**	3,867,500
Term loan Tranche B		
Term loan Tranche B - maturity date July 2015	**3,844,743**	3,542,120
Interest charged	**244,175**	302,623
Less repaid	**(630,979)**	-
Foreign exchange difference on translation	**490,034**	-
	3,947,973	3,844,743
Less transaction costs incurred	**(345,843)**	(345,843)
Transaction costs written off	**345,843**	132,000
Total term loan Tranche B after transaction costs	**3,947,973**	3,630,900
Total		
Term loans	**7,842,286**	7,225,011
Interest charged	**488,341**	617,275
Less repaid	**(1,252,826)**	-
Foreign exchange difference on translation	**998,799**	-
Total term loan	**8,076,600**	7,842,286
Less transaction costs	**(706,519)**	(706,519)
Transaction costs written off	**631,972**	362,633
Total term loan after transaction costs	**8,002,053**	7,498,400

During the prior period 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, as defined under Alaskan Statute 43.55. The ACES based credit facility will cover a significant portion of the upfront exploration program costs.

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.

7. BORROWINGS (continued)

At the 31 March 2015, 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	476,064	465,543	941,607	558,818	546,798	1,105,616
Repaid	(547,537)	(551,724)	(1,099,261)	(621,847)	(630,979)	(1,252,826)
Forex	-	-	-	431,507	415,730	847,237
Closing Loan	**3,151,793**	**3,013,883**	**6,165,676**	**4,128,627**	**3,947,973**	**8,076,600**

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 ACES facility of $8,076,600 plus future interest charges will be paid by:

- $130,186 (USD $99,114) principal paid in cash transferred in March 2015 to repay interest due on Tranche B after March 2015 to new maturity date;
- $4,114,666 (USD $3,141,136) of Alaskan tax credit expected to be received in July 2015. The 40% tax credits are not shown as assets at the period end; and
- $4,816,527 (USD $3,676,937) of Alaskan tax credit expected to be received in September 2015. The 45% tax credits are not shown as assets at the period end.

During the period $nil (September 2014 and March 2014: $706,519) 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 period $296,947 (September 2014: $349,413; March 2014: $nil) of transaction costs and $nil (September 2014: $69,778; March 2014: $nil) of set up fees have been written off.

8. ISSUED CAPITAL

a) Issued and Outstanding

	Number		Consideration	
	31 March 2015 No.	30 September 2014 No.	**31 March 2015 $**	30 September 2014 $
Balance, beginning of period	**419,492,277**	3,011,297,832	**38,763,813**	28,784,588
Shares issued in period				
On 17 October 2014 the Company issued new shares for no consideration to allottees of the placement conducted by the Company on 17 July 2014	**109,000,000**	-	-	-
Shares issued in prior 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
4February 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
Share issue costs	-	-	**(5,797)**	(1,120,113)
Balance, end of period	**528,492,277**	419,492,277	**38,758,016**	38,763,813

8. ISSUED CAPITAL (Continued)

	31 March 2015 $	30 September 2014 $
Performance Rights Reserve - Equity based remuneration (i)	**13,601**	-
Share Options Reserve – Options issued (ii)	**168**	168
Share Options Reserve - Equity based remuneration and costs (iii)	**546,875**	426,875
	560,644	427,043

(i) Performance Rights Reserve

	Number		Fair value	
	31 March 2015 No.	30 September 2014 No.	**31 March 2015 $**	30 September 2014 $
Performance Rights Reserve, beginning of period	**-**	200,000,000	**-**	33,333
Consolidation of shares on 1:15 basis	**-**	(186,666,666)	**-**	-
Performance Rights issued	**45,000,000**	-	**13,601**	-
Performance Rights issued/(lapsed) to T Marshall	**-**	(13,333,334)	**-**	(33,333)
Performance Rights Reserve, end of period	**45,000,000**	-	**13,601**	-

During the period 45,000,000 performance rights were issued under the ESOS incentive package for no consideration (see below for performance criteria); 15,000,000 each to directors: Iain Smith, Graham Harper and Conrad Todd.

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 performance rights granted is estimated using the Monte Carlo Simulation 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.

8. ISSUED CAPITAL (Continued)

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.

Prior period:
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 period ended 30 September 2013; and
- $(33,333) period ended 30 September 2014.

(ii) Share Option Reserve – Issued

	Number		Fair value	
	31 March 2015	30 September 2014	**31 March 2015**	30 September 2014
	No.	No.	**$**	$
Share Options issue for cash	**16,750,000**	16,750,000	**168**	168

Prior period:
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.

8. ISSUED CAPITAL (Continued)

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

	Number		Fair value	
	31 March 2015	30 September 2014	**31 March 2015**	30 September 2014
	No.	No.	**$**	$
Beginning of period	**15,833,334**	50,000,000	**426,875**	104,500
Consolidation of shares on 1:15 basis	**-**	(46,666,666)	**-**	-
Broker Options - issue of Securities	**10,000,000**	12,500,000	**120,000**	322,375
End of period	**25,833,334**	15,833,334	**546,875**	426,875

On 17 October 2014 10,000,000 Broker Options were issued. The Black-Scholes valuation of vested options at the issued date amounted to $120,000. The Black-Scholes valuation was based on an interest free rate of 5% and 75% volatility.

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 4% and 108% volatility.

b) Options

Company has the following history of Options outstanding:

	Number of Options	**Weighted Average Exercise Price**
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	$0.106
Issues on 17 October 2014	10,000,000	$0.012
Expired on 30 January 2015	(27,500,000)	$0.100
Balance at 31 March 2015	**170,658,492**	**$0.106**

8. ISSUED CAPITAL (Continued)

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).

The following table summarises information about the Options at 31 March 2015:

Expiry Date	Exercise Price 31 March 2015	Number of Options 31 March 2015	Exercise Price 30 September 2014	Number of Options 30 September 2014
Unquoted options 31 January 2015	-	-	$0.1000	27,500,000
Unquoted options 10 August 2015	$0.6000	1,566,679	$0.6000	1,566,679
Quoted Options 31 January 2016	$0.1050	108,164,528	$0.1050	108,164,528
Unquoted options 14 February 2016	$1.1850	843,882	$1.1850	843,882
Unquoted options 30 April 2016	$0.0600	2,000,000	$0.0600	2,000,000
Unquoted options 31 July 2016	$0.0675	25,500,069	$0.0675	25,500,069
Unquoted options 30 September 2016	$0.1200	10,083,334	$0.1200	10,083,334
Unquoted options 31 October 2016	$0.1200	12,500,000	$0.1200	12,500,000
Unquoted options 30 September 2017	$0.0300	10,000,000	-	-
Total	**$0.1063**	**170,658,492**	$0.1055	188,158,492

9. OPERATING SEGMENTS

The Consolidated Entity has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in accessing performance and determining the allocation of resources.

The Consolidated Entity previously operated one industry in North America and one principal activity being oil and gas. However, information reported to the Consolidated Entity's chief operating decision makers for the purposes of resource allocation and assessment of segmental reporting is more specifically focused on operating division by specific geographical location. The Consolidated Entity's reporting segments under AASB 8 are therefore as follows:

Oil and Gas - USA
- Australia

9. OPERATING SEGMENTS (continued)

Information regarding the Consolidated Entity's reportable segments is presented below. Amounts reported for the prior period have been restated to conform to the requirements of AASB.

	USA Oil and Gas $	**Australia** Oil and Gas $	**Total** $
31 March 2015			
REVENUE			
Total revenue -external sales	-	-	-
RESULT			
Segment expenses	(818,392)	-	(818,392)
Segmental finance costs	(459,309)	-	(459,309)
Segment result	(1,277,701)	-	(1,277,701)
Unallocated expenses			(546,360)
Unallocated finance income			7,361
Profit/(loss) before income tax			(1,816,700)
Income tax expense			
Profit/(loss) after income tax			(1,816,700)

	USA Oil and Gas $	**Australia** Oil and Gas $	**Total** $
31 March 2015			
ASSETS			
Segment assets	12,110,999	234,491	12,345,490
Total segmental assets			12,345,490
Corporate and unallocated assets			594,223
			12,939,713
LIABILITIES			
Segment liabilities	9,375,331	144,001	9,519,332
Total segmental liabilities			9,519,332
Corporate and unallocated liabilities			184,678
			9,704,010

9. OPERATING SEGMENTS (continued)

	USA Oil and Gas **$**	**Argentina** Geothermal **$**	**Total** **$**
31 March 2014			
REVENUE			
Total revenue -external sales	-	-	-
RESULT			
Segmental expenses	-	(45,619)	(45,619)
Segment result	-	(45,619)	(45,619)
Unallocated expenses net of unallocated revenue			(935,251)
Finance income/(costs)			9,028
Profit/(loss) before income tax			(971,842)
Income tax expense			(207,897)
Profit/(loss) after income tax			(1,179,739)

	USA Oil and Gas **$**	**Argentina** Geothermal **$**	**Total** **$**
30 September 2014			
ASSETS			
Segment assets	12,413,318	-	12,413,318
Total segmental assets			12,413,318
Corporate and unallocated assets			948,383
			13,361,701
LIABILITIES			
Segment liabilities	8,576,821	-	8,576,821
Total segmental liabilities			8,576,821
Corporate and unallocated liabilities			281,264
			8,858,085

10. CONTINGENT LIABILITIES AND ASSETS

Contingent Liability

In November 2014, Royale Energy Inc. ("Royale") sued Rampart Alaska LLC ("Rampart") in Alaska Superior Court seeking to foreclose upon the 30% working interest in certain Alaska North Slope leases that Rampart had earned in accordance with a Participation Agreement ("PA") entered into between Rampart, its ultimate parent and Royale for exploration and development of the leases. Royale alleged various breaches of the PA in its complaint including that Rampart had failed to meet cash calls to fund drilling and other alleged obligations under the PA. Rampart answered the complaint filed by Royale denying Royale's allegations that it had not performed under the PA and asserted various affirmative defenses and counterclaims against Royale. Rampart counterclaimed for failure to comply with the Alaska Security Act, breach of contract, defamation and other counterclaims. Rampart sought damages as well as to retain it's 30% working interest in the leases. Rampart also filed a third party complaint against Rampart's co-CEO/CFO Stephen Hosmer alleging similar counterclaims. The company is currently negotiation with Royale following the suspension of Alaskan litigation for sixty days from 8 May 2015.

The Consolidated Entity has no other contingent liabilities at 31 March 2015.

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. At 31 March 2015 and the rebate is estimated at $8,931,193 (USD$6,818,073) (30 September 2014 $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 recognised once Alaskan DOR notice has been received.

The Consolidated Entity has no other contingent assets at 31 March 2015.

NOTES TO FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 MARCH 2015

11. COMMITMENTS

	31 March 2015 $	30 September 2014 $
Exploration commitments	**9,538,512**	7,085,530
Operating leases	**-**	50,000
Employment and consultant commitments	**183,447**	254,417

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.

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 plans 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 WA-507-P located in Northern Carnarvon Basin Project in Western Australia. The assignment of the 80% interest has been approval by National Offshore Petroleum Titles Administrator.

Northern Carnarvon Basin Project in Western Australia
In March 2015, the Company announced the right to secure 80% working interest, as Operator, in permit WA-503-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.

(b) Other commitments

On 1 April 2014 signed a 36 month license agreement for office accommodation which was terminated during the period, the annual license fee being $nil (2014: lease rental $50,000) per annum.

The Company has engaged Allinson Accounting Solutions Pty Ltd to provide annual accounting and administrative services at an annual fee of $13,000 (2014: $78,000) this agreement ends on 31 May 2015. In addition, on 13 October 2013 the Company engaged Giant Star Capital LLC as credit consultant to assist with credit funding on a monthly retainer USD$15,000 per month following the closing of the ACES loan facility in the prior period.

12. SUBSEQUENT EVENT

On 14 May 2015, Mr Rory McGoldrick was appointed as a director of the company.

On 14 May 2015, Mr David McArthur was appointed as Company Secretary of the company.

On 8 May 2015, the Company announced the suspension of Alaskan litigation for sixty days in order for the parties to mediate.

13. SHARE BASED PAYMENTS

During the period the following equity based payments were made to Directors and service providers/consultants.

	Number		Fair value	
	31 March 2015 No.	31 March 2014 No.	**31 March 2015 $**	31 March 2014 $
Performance Rights issued				
Performance Rights issues[1]	**45,000,000**	-	**13,601**	-
Performance Rights on issue to Torey Marshall[6]	**-**	13,333,334	**-**	199,998
Total Performance Rights issued in period	**45,000,000**	13,333,334	**13,601**	199,998
Shares issued in period in lieu of fees and remuneration				
Success fee - issue of Securities[3]	**-**	1,000,000	**-**	50,000
Success fee - issue of Securities[3]	**-**	1,250,000	**-**	62,500
Promotional fees - issue of Securities[4]	**-**	1,500,000	**-**	75,000
Broker Options - issue of Securities[2,5]	**10,000,000**	12,500,000	**120,000**	322,375
Total shares issued in period in lieu of fees and remuneration	**10,000,000**	16,250,000	**120,000**	509,875
Costs capitalised as borrowing costs	**-**	(2,250,000)	**-**	(112,500)
Share issue costs	**(10,000,000)**	(12,500,000)	**(120,000)**	(322,375)
Total securities issued as share based payments	**45,000,000**	14,833,334	**13,601**	274,998

(1) During the period 45,000,000 performance rights were issued under the ESOS incentive package for no consideration (see below for performance criteria); 15,000,000 each to directors: Iain Smith, Gavin Harper and Conrad Todd. The fair value of these securities is based on a Monte Carlo valuation. Refer to Note 8(i) for further details.

(2) 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. The fair value of these securities is based on a Black Scholes valuation.

13. SHARE BASED PAYMENTS (continued)

Prior period

(3) 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.

(4) 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.

(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 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.

14. 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 $
31 March 2015				
Total Financial Assets:	**-**	**-**	**559,515**	**559,515**
Total Financial Liabilities:	**-**	**-**	**-**	**-**
31 March 2014				
Total Financial Assets:	-	-	50,000	50,000
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.

14. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (continued)

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.

15. GOING CONCERN

The financial report has been prepared on the basis of going concern. The financial reports show the Group incurred a loss for the period of $1,816,700 (31 March 2014: $1,179,739).

During the prior period the Consolidated Entity established a USD$50 million funding facility with a major international investment group for an ACES based credit facility that will cover a significant portion of the upfront Alaskan exploration program costs. At the 31 March 2015, the company has drawn down $8,076,600 (USD $6,165,676) (31 March 2014: $6,976,390 (USD$6,323,330)), excluding estimated future interest and other charges, leaving $57,419,865 (USD$43,834,324) (31 March 2014: USD$43,023,610) undrawn. The Consolidated Entity may require additional capital to continue as a going concern, in order to fund costs to be incurred not covered by the above ACES based credit facility. If 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 allowances for such circumstances has been made in the financial report.