

Company Announcements
Australian Stock Exchange Limited
Exchange Centre
Level 4
20 Bridge Street
Sydney NSW 2000

26 August 2015

Six months ended 30 June 2015

Please find attached the following documents relating to Maverick Drilling & Exploration Limited's results for the six months ended 30 June 2015:

1. ASX Appendix 4D
2. Interim report

Commentary from the Chief Executive Officer

"With the industry in a severe downturn due to very low oil and natural gas prices, most companies are slowing down and doing less. At Maverick, we are moving forward at a steady pace every day to achieve our vision of becoming a multi-asset, investment grade oil and gas company. Every day we are doing the bottoms up technical work necessary to obtain new assets. Every day we are working with potential investors to support us financially as we consider the expansion of our asset base. And, every day we are improving the capability of our organization to manage larger and more valuable opportunities. Lastly, every day we are taking care of our current Blue Ridge field to maximize its value despite the lower revenues. So things are very busy.

As reported in July, at our Blue Ridge field, we have averaged over 1,000 barrels of oil per day for the first half of the year. We are doing this with much less capital investment and considerably fewer staff.

In regards to expanding the asset base, we have strategically determined where we want to pursue new assets based on the best geology. We have performed the technical assessments necessary to understand land, assets and companies we are interested in. These technical assessments will eventually lead to commercial transactions and we are hopeful of those activities maturing in this second half of the year. We have many opportunities we are assessing, we have many ways to finance these pursuits and we are now optimizing those plans. We fully expect to have a lot more to say on this in the remainder of the year.

We continue to have a few changes to our financial accounts as we point the Company in its new direction. I am pleased to say we have no oil and gas reserve related changes to announce. However, with our unique ownership of drilling equipment due to Maverick's legacy as a drilling contractor for 35 years, we are adjusting down the value of our drilling and workover rig fleet to today's market value which is significantly different now that there are a large number of idle drilling rigs in the U.S. due to lower oil prices. These are changes that most oil and gas companies would not need to make as drilling equipment is normally leased not owned.

So we continue to do all of the things we have advised you on, and feel the progress we have made puts us in a good situation to take advantage of the industry downturn. Anytime in recent history when there is a major downturn in oil prices, the industry changes significantly. We certainly expect to be a part of that change.”

Sincerely,

A handwritten signature in black ink that reads "J. Michael Yeager". The signature is written in a cursive, flowing style.

J. Michael Yeager
Executive Chairman and Chief Executive Officer
Maverick Drilling & Exploration Limited

RESULTS FOR ANNOUNCEMENT TO THE MARKET – APPENDIX 4D

Entity	Maverick Drilling & Exploration Limited
ABN	48 128 429 158
Six months ended	30 June 2015
Previous corresponding six month period	31 December 2014

Results for announcement to the market

				Current period
Revenue from ordinary activities	down	51%	to	USD6,169,000
Profit/(loss) from ordinary activities after tax attributable to members	up	1%	to	USD (18,431,000)
Net profit/(loss) for the period attributable to members	up	1%	to	USD (18,431,000)

Dividend

No dividends were paid or proposed to members during the six months ended 30 June 2015.

Brief explanation of any of the figures reported above

Revenue from oil sales of \$6,139,000 (2014: \$11,091,000) was lower in the current period as a result of lower prices received for oil and lower gross oil production. Reported profit in the period included depreciation expense of \$1,789,000 (2014: \$1,688,000), depletion expense of \$3,668,000 (2014: \$5,132,000) and impairment expense of \$7,629,000 (2014: \$17,109,000). The cumulative impact of these three items on current year profit was \$13,086,000 (2014: \$23,929,000).

Net tangible asset backing

	30 June 2015	31 December 2014
Net tangible asset backing per ordinary Share	USD 0.15	USD 0.19

Control gained or lost during the period

There were no transactions entered into by the company during the six months ended 30 June 2015 that resulted in control being gained or lost over any entities.

Dividend reinvestment plans

There are no dividend reinvestment plans in operation.

Associates and joint venture entities

The company does not have any associates or joint venture entities.

Report based on reviewed accounts

This report has been based on the attached accounts which have been reviewed by PricewaterhouseCoopers.

Maverick Drilling & Exploration Limited

ABN 48 128 429 158

Interim report for the six months ended 30 June 2015

Maverick Drilling & Exploration Limited ABN 48 128 429 158

Interim report – 30 June 2015

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This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the period ended 31 December 2014 and any public announcements made by Maverick Drilling & Exploration Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

DIRECTORS' REPORT

The directors of Maverick Drilling & Exploration Limited present their report on the consolidated entity (referred to hereafter as "Maverick," or "the Company") consisting of Maverick Drilling & Exploration Limited and the entities it controlled at the end of, or during, the six months ended 30 June 2015.

DIRECTORS

The following persons were directors of Maverick Drilling & Exploration Limited during the whole of the six months and up to the date of this report:

R B Clarke
L A Clarke
J C Camuglia
J M Yeager

N H Smith was appointed as a director on 2 March 2015 and continues in office at the date of this report.

PRESENTATION CURRENCY

Items included in the directors' report and financial statements of the Company are presented in US dollars unless otherwise stated.

REVIEW OF OPERATIONS

The directors provide the following comments on the operations of the Company for the six months ended 30 June 2015.

During the six months the Company delivered a loss before income tax of \$18,431,000 (2014: Loss of \$18,676,000). Oil sales for the six months totalled \$6,139,000 (2014: \$11,091,000).

The Company drilled five wells in its Blue Ridge Field during the six months. Three of these wells were deemed productive and completed.

No new acreage was acquired at Blue Ridge Field during the six month period.

AUDITORS INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 3.

ROUNDING OF AMOUNTS

The Company is of a kind referred to in Class Order 98/100, issued by the Australian Securities and Investments Commission, relating to the "rounding off" of amounts in the directors' report and financial report. Amounts in the directors' report and financial report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar.

This report is made in accordance with a resolution of directors.



J M Yeager
Executive Chairman and Chief Executive Officer
Maverick Drilling & Exploration Limited

Houston, Texas
26 August 2015



Auditor's Independence Declaration

As lead auditor for the review of Maverick Drilling & Exploration Limited for the half-year ended 30 June 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.

This declaration is in respect of Maverick Drilling & Exploration Limited and the entities it controlled during the period.

A handwritten signature in black ink that reads 'D A Turner'.

Darren Turner
Partner
PricewaterhouseCoopers

Newcastle
26 August 2015

Maverick Drilling & Exploration Limited
Consolidated income statement
For the six months ended 30 June 2015

	Notes	6 Months 30 Jun 2015 \$'000	6 Months 31 Dec 2014 \$'000
Revenue from continuing operations	3	6,169	12,681
Consumables and external services used		(1,686)	(2,050)
Employee benefits expense		(7,035)	(5,280)
Depletion expense		(3,668)	(5,132)
Depreciation and amortisation expense		(1,789)	(1,688)
Impairment of non-current assets	3	(7,629)	(17,109)
Professional fees		(1,316)	(1,276)
Insurance expense		(697)	(452)
State and local tax expense		(128)	(366)
Net foreign exchange losses		(40)	(21)
Other expenses		(494)	(338)
Finance costs		(118)	(71)
(Loss) before income tax		(18,431)	(21,102)
Income tax benefit		-	2,426
(Loss) from continuing operations		(18,431)	(18,676)
(Loss) for the half-year		(18,431)	(18,676)
(Loss) is attributable to:			
Owners of Maverick Drilling & Exploration Limited		(18,431)	(18,676)
Non-controlling interests		-	-
		(18,431)	(18,676)
		Cents	Cents
Earnings per share for (loss) from continuing operations attributable to the ordinary equity holders of the Company:			
Basic (loss) per share		(3.4)	(3.5)
Diluted (loss) per share		(3.4)	(3.5)
Earnings per share for (loss) attributable to the ordinary equity holders of the Company:			
Basic (loss) per share		(3.4)	(3.5)
Diluted (loss) per share		(3.4)	(3.5)

The above income statement should be read in conjunction with the accompanying notes.

Maverick Drilling & Exploration Limited
Consolidated statement of comprehensive income
For the six months ended 30 June 2015

Notes	6 Months 30 Jun 2015 \$'000	6 Months 31 Dec 2014 \$'000
(Loss) for the six months	(18,431)	(18,676)
Other comprehensive income for the six months	-	-
Total comprehensive (loss) for the six months	(18,431)	(18,676)
Total comprehensive (loss) for the six months is attributable to:		
Owners of Maverick Drilling & Exploration Limited	(18,431)	(18,676)
Non-controlling interests	-	-
	(18,431)	(18,676)

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

Maverick Drilling & Exploration Limited
Consolidated balance sheet
For the six months ended 30 June 2015

	Notes	30 Jun 2015 \$'000	31 Dec 2014 \$'000
ASSETS			
Current assets			
Cash and cash equivalents		17,914	28,582
Trade and other receivables		2,608	3,603
Inventories		1,297	1,669
Assets classified as held for sale		123	538
Total current assets		21,942	34,392
Non-current assets			
Receivables		450	450
Property, plant and equipment	4	6,211	15,244
Oil and gas assets	5	59,098	58,105
Total non-current assets		65,759	73,799
Total assets		87,701	108,191
LIABILITIES			
Current liabilities			
Trade and other payables		2,821	5,050
Borrowings		56	64
Restoration provision		123	42
Total current liabilities		3,000	5,156
Non-current liabilities			
Borrowings		97	32
Restoration provision		1,441	1,445
Total non-current liabilities		1,538	1,477
Total liabilities		4,538	6,633
Net assets		83,163	101,558
EQUITY			
Contributed equity	6	132,190	132,053
Other reserves	7	77	178
Retained earnings		(49,104)	(30,673)
Capital and reserves attributable to owners of Maverick Drilling & Exploration Limited		83,163	101,558
Non-controlling interests		-	-
Total equity		83,163	101,558

The above balance sheet should be read in conjunction with the accompanying notes.

Maverick Drilling & Exploration Limited
Consolidated statement of changes in equity
For the six months ended 30 June 2015

Attributable to the owners of Maverick Drilling & Exploration Limited						
Notes	Contribut- ed equity \$'000	Reserves \$'000	Retained earnings \$'000	Total \$'000	Non- controlling interests \$'000	Total equity \$'000
Balance, 1 Jul 2014	127,465	3,305	(11,997)	118,773	-	118,773
Total comprehensive loss for the six months ended 31 Dec 2014	-	-	(18,676)	(18,676)	-	(18,676)
Transactions with owners in their capacity as owners:						
Rights issued						
– value of employee services	-	1,357	-	1,357	-	1,357
Shares issued						
– value of employee services	4,588	(4,498)	-	90	-	90
Senior Executive Option Plan						
– value of employee services	-	14	-	14	-	14
<hr/>						
Balance, 31 Dec 2014	132,053	178	(30,673)	101,558	-	101,558
Total comprehensive loss for the six months ended 30 June 2015	-	-	(18,431)	(18,431)	-	(18,431)
Transactions with owners in their capacity as owners:						
Shares issued						
– value of employee services	6, 7 137	(114)	-	23	-	23
Senior Executive Option Plan						
– value of employee services	7 -	13	-	13	-	13
<hr/>						
Balance, 30 June 2015	132,190	77	(49,104)	83,163	-	83,163

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Maverick Drilling & Exploration Limited
Consolidated statement of cash flows
For the six months ended 30 June 2015

Notes	6 Months 30 Jun 2015 \$'000	6 Months 31 Dec 2014 \$'000
Cash flows from operating activities		
Receipts from customers (inclusive of goods and services tax)	6,477	12,060
Payments to suppliers and employees (inclusive of goods and services tax)	<u>(11,643)</u>	<u>(7,685)</u>
	(5,166)	4,375
Interest paid	-	(2)
Income taxes paid	-	49
Net cash (outflow) inflow from operating activities	<u>(5,166)</u>	<u>4,422</u>
Cash flows from investing activities		
Payments for property, plant and equipment	(336)	(523)
Payments for oil and gas assets	(5,645)	(19,958)
Proceeds from sale of property, plant and equipment	23	-
Proceeds from sale of oil and gas assets	-	12
Proceeds from sale of exploration and evaluation assets	-	67
Proceeds from sale of assets held for sale	393	25
Interest received	8	26
Net cash (outflow) inflow from investing activities	<u>(5,557)</u>	<u>(20,351)</u>
Cash flows from financing activities		
Proceeds from borrowing	137	-
Share issue transaction costs	(3)	(9)
Repayment of borrowings	(80)	(1,115)
Net cash inflow (outflow) from financing activities	<u>54</u>	<u>(1,124)</u>
Net increase (decrease) in cash and cash equivalents	(10,669)	(17,053)
Cash and cash equivalents at the beginning of the financial year	28,582	45,649
Effects of exchange rate on cash and cash equivalents	1	(14)
Cash and cash equivalents at end of period	<u>17,914</u>	<u>28,582</u>

1 Basis of preparation of six months report

This condensed consolidated interim financial report for the six months reporting period ended 30 June 2015 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*.

This condensed consolidated financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the six months ended 31 December 2014 and the year ended 30 June 2014 and any public announcements made by Maverick Drilling & Exploration Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

Change in fiscal year

During the six months ended 31 December 2014 the board of directors of Maverick Drilling & Exploration Limited elected to change the fiscal year end from 30 June to 31 December, with a transitional period of six months to 31 December 2014. This decision was taken to synchronize the Company with other companies in the oil and gas exploration and production industry in the United States.

The consolidated financial statements comprise the financial statements of Maverick Drilling & Exploration Limited and its subsidiaries as at 30 June 2015 for the six month period which commenced on 1 January 2015 and ended 30 June 2015. The comparative period is the transitional six month period ended 31 December 2014, for which audited financial statements have been previously presented in the Company's annual report as at 31 December 2014.

2 Segment information

(a) Description of segments

Management has identified the Company's operating segments based on the reports reviewed by the board to make strategic decisions. Operations consist of one segment, oil and gas exploration and production.

2 Segment information (continued)

(b) Segment information provided to the board

The segment information provided to the board for the reportable segments for the six months ended 30 June 2015 is as follows:

	30 Jun 2015 \$'000	31 Dec 2014 \$'000
Oil and gas exploration and production		
Total segment revenue	6,139	12,391
Revenue from external customers	6,139	12,391
(Loss) for the six months	(18,431)	(18,676)
Depreciation expense	(1,789)	(1,688)
Depletion expense	(3,668)	(5,132)
Income tax (expense) benefit	-	2,426
Total segment assets	87,701	108,191
Total assets includes:		
Additions to non-current assets (other than financial assets and deferred tax)	4,977	19,131
Total segment liabilities	4,538	6,633

3 Loss for the six month period

(a) Loss for the six month period includes the following items that are significant because of their nature, size or incidence:

	6 Months 30 Jun 2015 \$'000	6 Months 31 Dec 2014 \$'000
Revenues		
<i>Revenue from continuing operations</i>		
Sale of goods	6,139	11,091
Sale of working interests in turnkey joint development wells	-	1,300
Interest income	8	26
Rental income and other	22	264
Revenues from continuing operations	6,169	12,681
Expenses		
<i>Impairment</i>		
Property, plant and equipment	7,629	-
Oil and gas assets		
Blue Ridge field	-	17,109
	7,629	17,109

(b) Impairment of property, plant and equipment and oil and gas assets

During the six months ended 30 June 2015 the Company recognized impairment of \$7,629,000 in relation to property, plant and equipment used in oil and gas drilling. The impairment was calculated on a value in use basis and reflects the idling of some assets as well as expectations with regard to the Company's drilling activity in the near future.

During the six months ended 31 December 2014 the Company recognised an impairment loss of \$17,109,000 in relation to oil and gas assets not expected to be used in its development operations within the next 12 months. These impairments were calculated based on market information.

4 Property, plant and equipment

The Company reported a net decrease in the balance of property, plant and equipment of \$9,033,000 in the period 1 January 2015 to 30 June 2015. This decrease included depreciation expense of \$1,789,000 and impairment expense of \$7,629,000.

5 Oil and gas assets

In the period from 1 January 2015 to 30 June 2015 the Company completed the drilling of five new wells at Blue Ridge Field and one salt water disposal well.

During the six months period the Company has recognised a provision for restoration in respect of new wells of \$54,000.

Oil and gas assets in production are amortised on a production output basis via a depletion charge. In relation to Blue Ridge Field, development costs, along with any future expenditure necessary to develop the estimated reserves, are amortised over the remaining estimated units of the fields. The remaining estimated units of the field are based on the Company's hydrocarbon reserves as assessed by the Company. Production based depletion of \$3,668,000 was charged in the period 1 January 2015 to 30 June 2015 (1 July 2014 to 31 December 2014 \$5,132,000).

6 Contributed Equity

(a) Share capital

	Notes	30 Jun 2015 shares	31 Dec 2014 shares	30 Jun 2015 \$'000	31 Dec 2014 \$'000
Ordinary shares					
Fully paid	(b)	<u>545,000,115</u>	<u>544,321,602</u>	<u>132,190</u>	<u>132,053</u>
		<u>545,000,115</u>	<u>544,321,602</u>	<u>132,190</u>	<u>132,053</u>

(b) Movements in ordinary share capital

Date	Details	Notes	Number of shares	Issue Price	\$'000
1 Jan 2015	Opening balance		544,321,602		132,053
	Sign-on shares issued	(c)	178,513	\$0.14	25
	Performance rights vested		500,000	\$0.23	115
	Less: Transaction costs arising on shares issued for sign-on and performance rights vesting				(3)
30 Jun 2015	Balance		<u>545,000,115</u>		<u>132,190</u>

(c) Shares issued to senior executives

During the six months ended 30 June 2015, 500,000 shares were issued to Howard K Selzer, Chief Financial Officer of the Company, in exchange for 500,000 share rights previously issued to him. Additional shares were issued to another employee as a sign-on benefit.

7 Other reserves

(a) Other reserves

	30 Jun 2015 \$'000	31 Dec 2014 \$'000
Share-based payments reserve	<u>77</u>	<u>178</u>
Total other reserves	<u>77</u>	<u>178</u>

Movements in the share-based payment reserve:

	6 Months 30 Jun 2015 \$'000	6 Months 31 Dec 2014 \$'000
Balance beginning of period	<u>178</u>	3,305
Rights and options	<u>(101)</u>	<u>(3,127)</u>
Balance end of period	<u>77</u>	<u>178</u>

The decrease in other reserves during the six months ended 31 December 2014 includes the vesting of 10 million share rights that were exchanged for shares. The decrease in the six months ended 30 June 2015 represents primarily the vesting of 500,000 share rights exchanged for shares.

(b) Nature and purpose of other reserves

The share-based payments reserve is used to recognise the grant date fair value of options and rights issued to employees and recognised as remuneration but not exercised.

8 Related party transactions

(a) Shares and rights issued to key management personnel

On 15 October 2014 10,000,000 ordinary shares were issued to J M Yeager for no consideration in exchange for vested executive rights issued in 2013.

On 5 January 2015 500,000 executive rights held by H K Selzer were converted into ordinary shares for no consideration.

(b) Debt instrument disclosures relating to key management personnel

Promissory note holdings

Directors L A Clarke and J C Camuglia and executive A J Crawford are minority unit holders of Texoz Holdings Unit Trust. Texoz Holdings Pty Ltd acts as trustee of Texoz Holdings Unit Trust. J C Camuglia is a director of Texoz Holdings Pty Ltd. The Company had a conditional credit facility of up to \$5 million from Texoz Holdings Unit Trust for the purpose of acquiring oil and gas leases and expanding its leasehold and prospect inventory. The agreement for this finance was based on normal commercial terms and conditions. During the six months ended 31 December 2014 no additional amounts were loaned to the Company. During the six months ended 31 December 2014 repayments totalling \$190,000 were made by the Company. At 31 December 2014 the balance of the promissory notes held by Texoz Holdings Unit Trust was \$0.

8 Related party transactions (continued)

In consideration for the provision of this finance, Texoz Holdings Unit Trust received overriding royalty interests over various Boling and Nash Field acreage and the Blakely C and Scott leases in Blue Ridge Field. Maverick purchased the overriding royalty interests on the Blue Ridge Blakely C and Scott leases, Boling Hawes, Gary and Tabor leases and Nash Wisdom leases in February 2015, with an effective date of 31 December 2014, for \$231,910. The agreement for this purchase was based on normal commercial terms and conditions and the Company sought legal advice from Australian counsel prior to purchasing these overriding royalty interests.

In June 2012, D D Henrich and G Henrich entered into a loan agreement with Maverick Drilling & Exploration Limited under which D D Henrich and G Henrich agreed to loan Maverick Drilling & Exploration Limited an amount of \$5,800,000. The loan accrued interest at a rate calculated as the most recent discount rate for 52 week bills issued by the United States Department of Treasury as published by that department plus 1%, with monthly repayments of \$200,000. In November 2014, the month this loan was repaid in full, this interest rate was calculated as 1.11%. The agreement for this finance was based on normal commercial terms and conditions and the Company sought legal advice from Australian counsel prior to entering into the arrangements. During the six months ended 31 December 2014, interest of \$2,240 was accrued on this loan and repayments of \$882,487 were made. At 31 December 2014 the balance of this loan was \$0.

At 31 December 2014 the aggregate of loans from key management personnel to Maverick was \$0 and aggregate total interest paid for the six months ended 31 December 2014 year ended was \$2,240. There were no other loans from directors, key management personnel or other employees to the business during the six months ended 31 December 2014 or the six months ended 30 June 2015.

An executive, A J Crawford, is the Director of Box One Corporate Pty Ltd. Box One Corporate Pty Ltd charges Maverick entities for A J Crawford's services to the Company. The agreement for these services was based on normal commercial terms and conditions.

(c) Other transactions with key management personnel

Directors L A Clarke and J C Camuglia are unit holders in Salt Dome Unit Trust. Salt Dome Unit Trust owned overriding royalty interests ranging from 0.15% to 1.25% over the Gordon, Lila Hill, Teletower, and Blue Ridge Field leases operated by Maverick. Maverick purchased these overriding royalty interests in February 2015, with an effective date of 31 December 2014, for \$9,070. The agreement for this purchase was based on normal commercial terms and conditions and the Company sought legal advice from Australian counsel prior to purchasing these overriding royalty interests.

9 Fair value measurement of financial instruments

(a) Fair value hierarchy

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

AASB 7 *Financial Instruments: Disclosures* requires disclosure of fair values classified according to defined "levels," which are based on the reliability of the evidence used to determine fair value, with Level 1 being the most reliable and Level 3 the least reliable. Level 1 evidence consists of observable inputs, such as quoted prices in an active market. Level 2 inputs typically correlate the fair value of the asset or liability to a similar, but not identical item which is actively traded. Level 3 inputs include at least some unobservable inputs, such as valuation models developed using the best information available in the circumstances. Disclosures under AASB 7 also require discussion of actual valuation techniques used in fair value measurements used by the Company.

At no time during the six month periods ended 30 June 2015 and 31 December 2014 did the Company hold any financial instruments requiring measurement, disclosure, or recognition of fair values different from historical carrying values.

(b) Fair values of other financial instruments (unrecognised)

The Company has a number of financial instruments which are not measured at fair value in the balance sheet, such as cash in checking and money market accounts, and accounts receivable and payable. The fair values of these instruments are not materially different to their carrying amounts, since either the interest receivable/payable is close to current market rates or the instruments are short-term in nature. There were no significant differences noted between the carrying amount and fair value of these instruments at 30 June 2015 or 31 December 2014.

10 Events occurring after the reporting period

No significant transactions have occurred between 30 June 2015 and the date of this report.

In the directors' opinion:

- a. the financial statements and notes set out on pages 4 to 13 are in accordance with the *Corporations Act 2001*, including:
 - i. complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and
 - ii. giving a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the six months ended on that date; and
- b. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.



J M Yeager
Executive Chairman and Chief Executive Officer
Maverick Drilling & Exploration Limited

Houston, Texas
26 August 2015



Independent auditor's review report to the members of Maverick Drilling & Exploration Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Maverick Drilling & Exploration Limited (the Company), which comprises the consolidated balance sheet as at 30 June 2015, the consolidated income statement and consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, selected explanatory notes and the directors' declaration for Maverick Drilling & Exploration Limited (the consolidated entity). The consolidated entity comprises the company and the entities it controlled during that half-year.

Directors' responsibility for the half-year financial report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001* and for such internal control 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 half-year financial report based on our review. We conducted our review in accordance with Australian 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 financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 30 June 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 Maverick Drilling & Exploration 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 have 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 Maverick Drilling & Exploration Limited is not in accordance with the *Corporations Act 2001* including:

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- a) giving a true and fair view of the consolidated entity's financial position as at 30 June 2015 and of its performance for the half-year ended on that date;
- b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

PRICEWATERHOUSECOOPERS

PricewaterhouseCoopers

D A Turner

Darren Turner
Partner

Newcastle
26 August 2015