

03 September 2015

ASX ANNOUNCEMENT

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TARONG BASIN COAL ASSET ADVANCES TO PRE-FEASIBILITY STATUS

The Board of Moreton Resources Limited (MRV) is pleased to advise that following a strategic review of its Tarong Basin Coal Asset, MDL 385, it has determined that with the information to date, including positive JORC Coal Resource release, coal quality and Mine Concept Study, there is a sufficiently compelling case to warrant advancement of the project to a pre-feasibility status.

As such, the Company through its subsidiary **MRV Tarong Basin Coal PTY LTD** have engaged AMC Consultants to investigate and determine the pre-feasibility outcome of MDL 385 as an advancement project. AMC Consultants are a leading independent mining consultancy providing services exclusively to the minerals sector. Their clients include the likes of BHP Billiton, NewCrest Mining and Rio Tinto, and as such the Company has great faith that this consultancy will assist us fast track our pre-feasibility, so that the board can consider the outcomes, and our next strategic move for this asset. This program of work is fully funded from the Companies current reserves.

Further to this, the Company has been in talks with major providers of mining services and also project management and infrastructure providers, with the potential of moving forward with a cooperation or partnership arrangement with its subsidiary MRV Tarong Basin Coal, to advance MDL 385 as a priority. These talks are advancing and whilst contemplative and incomplete at this stage, further market updates will be made should any formal agreements be struck, with our current negotiations processes.

In support of the strategic decision to advance MDL 385, the Company would like to announce it has secured the services of Mr David Arnott who has been appointed as the Companies Geological Lead. Mr Arnott will play a critical role in the advancement of MDL 385, and the company's other valuable Assets.

Mr Arnott holds a Bachelor Applied Science (Geology) from the University of Technology in Sydney. His experience in the minerals industry spans over 25 years covering a range of commodities and geographic locations.

Mr Arnott is a specialist in geological modelling and Resource estimation to which he is considered a Competent Person (or equivalent) reporting under the major international Mineral Resource reporting codes. He regularly prepares Exploration Reports and Mineral Resource statements in addition to undertaking independent technical audits and due diligence studies of third party statements prepared under the JORC, SAMREC and NI43-101 Codes.

His experience in the coal industry includes both thermal and metallurgical products, with exposure to green, brownfield and operational sites in Australasia, the African subcontinent and the European Union.



The Board of Moreton Resources is extremely pleased to be able to update the market on these advancements and this reinforces the Boards view for the last 18 months, that MDL 385 has the potential for commercialisation. Whilst this is an early stage assessment process, the project continues to move along the development pipe line and will be duly assessed at each stage for ongoing viability.

Should MDL 385 prove viable, the Company is extremely positive about the potential ability of Moreton Resources to directly contribute to the South Burnett Region, by way of immediate and ongoing economic benefit through to the potential long term future security of industry, within the area. It is well understood that throughout the South Burnett, mining and power generation activities have been a significant sustaining factor for the last 30 years. This project has the potential to secure that economic contribution for at least another 20 years plus. Further benefits to the South Burnett, may also be the issues associated with potential Emissions Trading Schemes and renewables energies targets, across the power industry, as each region seeks to deal with the impacts of these issues, upon power generation.

We look forward to keeping the market up to date with this project advancement.

Jason Elks
Chief Executive Officer
Moreton Resources Limited

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