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ASX ANNOUNCEMENT

By Electronic Lodgement

SOUTH BURNETT PROJECT REHABILITATION TAKES SIGNIFICANT STEP TO COMPLETION

Moreton Resources Limited is pleased to announce that through its fully owned subsidiary MRV Tarong Basin Coal Pty Ltd, it has been notified it will **receive a total of \$539,000 in environmental bond refunds**. This is a significant, progressive step in not only the closure of all historical issues, but is also a major step forward in the reinforcement of the Company's commitment to Environment and Community, as this was the key driver for the fast tracked rehabilitation program.

This now leaves only three assessment wells in situ on the site of MDL 385, which will remain in place up until at least 2019, and possibly beyond. The Company, in consultation with the Department of Environmental and Heritage Protection, has agreed to leave the remaining wells in situ, to ensure a point of reference is available if required in the future. It is noted, however, that the Company still records and assesses data from these wells currently.

This will also ensure that as other issues unfold within the former Trial UCG industry in Queensland, the former Kingaroy site can be reviewed and analysed to ensure the Company is not brought into any of the current issues pertaining to the failed attempt at a fledgling industry in Australia. The site will continue to prove that despite the closure of the UCG Research and Development facility in prior years, there has been no environmental harm ever recorded on the site, from inception right through to closure of the program.

The much welcomed notification comes after MRV Tarong Basin Coal Pty Ltd lodged a Financial Assurance review in regard to the extensive rehabilitation work undertaken since early 2014, when the Company made commitments to local land holders, that it would remove the former trial production facility and seek to rehabilitate the area as a priority. In doing so, not only has the site been returned to its former state, but local and regional contractors within the area were also awarded the work.

As outlined in prior announcements, this also provided the Company with the opportunity to donate significant plant and equipment, and also to dispose of other infrastructure on commercially competitive terms to local vendors throughout the South Burnett.

The Company continues to adhere to its advancement plans in the South Burnett and future announcements upon the lodgement of first stage approvals processes are imminent.

Regards

Jason Elks
Managing Director
Moreton Resources Limited