

10 May 2016

## **ASX ANNOUNCEMENT**

By Electronic Lodgement

### **SOUTH BURNETT PROJECT RELINQUISHMENT OF NORTHERN SUB BLOCKS**

The Board of Moreton Resources Limited is pleased to announce that as of yesterday, its fully owned subsidiary MRV Tarong Basin Coal Pty Ltd, had relinquished 4 sub-blocks from its tenement, EPC 882. These sub blocks (i.e. BRIS2183: V, W and BRIS2255: A and B), located in the north of EPC 882 (refer Figure 1) were identified as the area of major concern to the South Burnett community, in regard to the proximity of Kingaroy.

Whilst MRV Tarong Basin Coal Pty Ltd, had consistently assured residents and stakeholders that this area was not to be mined, nor used for Mining Lease Application purposes, it is seen as a significant step forward in again assuring the Community of the South Burnett, that the Company will continue to deliver upon its commitments and assurances.

This move comes on the back of significant consultation with key stakeholder groups throughout the South Burnett over several months, and as outlined shows the level of commitment the Company has to open and transparent dealings with the Community.

The Company has since late 2013 committed to the following and delivered upon these commitments–

- Decommissioning of the former trial production site, by mid-2014 which was complete ahead of schedule.
- To demobilise by late December 2014 and ensure all former trial production facilities were removed and the site cleared of that infrastructure.
- That the site would be rehabilitated to its former land use (except for Coal advancement activities) prior to the UCG activities and as such a major rehabilitation program would be undertaken and finalised by early to mid-2015. Again this commitment was fulfilled and deliver prior to committed time lines.
- That through this process local and regional contractors would be the beneficiaries of the works and also that where possible, equipment and valuable machinery or goods were donated to groups throughout the South Burnett for the benefit of the South Burnett and again the organisation deliver upon this commitment.
- Now post significant engagement by the Company, through community events and meetings, the Company has made the commitment to make its intentions of not making an application for mining the northern EPC 882 area and as such, as of yesterday relinquished these areas.

Whilst MRV Tarong Basin Coal Pty Ltd is extremely pleased to be able to notify the South Burnett community of this outcome, and also its shareholders of its advancement activities in the South Burnett, it is also important to note, that this relinquishment results in a decrease in the company's earlier released JORC Coal Resource statement. The relinquishment of the four sub-blocks results in the Coal Resource estimate (total in-situ) for EPC 882 decreasing by 91 Mt.

A revised breakdown of the Coal Resource (into its relevant categories) which considers the exclusion of the relinquished area is detailed below\*.

Tenement	Seam	JORC Cat.	Tonnes (Mt)	RAW (average)						F2.00 (average)					
				ST (m)	R D (iss)	AS(ad)	CV(ad)	TS(ad)	Y L D	AS (ad)	CV (ad)	T S (ad)	MO (ad)		
EPC882	GD	INF	8.11	5.13		1.83	54.6	2899	0.69	46.2	26.4	5401		0.28	4.6
		IND	1.43	4.36		1.65	44.1	3809	0.69	44.5	26.6	5372		0.28	4.5
	KN	MEAS	30.38	13.29		1.61	37.5	4379	0.33	79.3	21.9	5764		0.26	5.1
		IND	63.47	12.02		1.61	38.0	4341	0.30	76.1	22.3	5706		0.27	5.0
		INF	2.00	7.35		1.58	36.6	4432	0.27	71.5	24.1	5479		0.35	5.1
	SW	MEAS	1.59	2.84		1.78	51.6	3007	0.62	69.8	24.3	5632		0.25	3.7
		IND	21.12	3.83		1.74	49.1	3369	0.38	65.8	25.5	5515		0.25	3.7
		INF	0.92	1.88		1.74	48.3	3428	0.40	64.8	25.5	5514		0.25	3.7
	GG	MEAS	14.60	13.74		1.63	37.9	4720	0.23	79.1	25.4	5556		0.17	4.4
		IND	143.19	13.64		1.60	37.9	4514	0.26	72.5	22.6	5790		0.18	4.4
MDL385	GD	IND	50.23	9.44		1.92	60.4	2393	0.69	38.5	27.3	5269		0.28	4.4
		INF	17.33	11.83		1.87	57.3	2668	0.69	40.4	27.1	5302		0.28	4.4
	KN	MEAS	46.14	14.77		1.68	41.6	4111	0.26	76.1	21.3	5890		0.24	4.9
		IND	124.75	14.45		1.67	41.2	4137	0.26	77.4	21.8	5835		0.24	4.9
	SW	MEAS	4.85	6.09		1.62	38.2	4414	0.21	67.1	18.5	6160		0.25	3.7
		IND	48.26	4.74		1.68	42.6	4020	0.23	75.9	21.8	5866		0.25	3.7
		INF	3.10	3.75		1.67	41.8	4095	0.26	76.4	21.1	5934		0.25	3.7
	GG	MEAS	65.15	21.72		1.71	44.7	3884	0.23	62.8	22.4	5824		0.16	4.8
		IND	173.65	16.84		1.70	44.0	3962	0.24	65.1	21.8	5870		0.16	4.7
Subtotal EPC882			286.81			1.63	39.3	4326	0.30	72.9	23.0	5719		0.22	4.6
Subtotal MDL385			533.45			1.72	45.0	3827	0.30	66.4	22.5	5786		0.21	4.6
Total			820.26			1.68	43.0	4001	0.30	68.7	22.7	5763		0.21	4.6

Given the previous Coal Resource estimate and classification considered the potential these sub-blocks may possibly be relinquished and no other underlying parameters have changed no further refinement of the Coal Resource estimate will be made at this time.

Moving forward the Company is expecting within this quarter to progress the following matters –

- Cultural Heritage Management Plan Agreement.
- Enter the Queensland State based environmental assessment process.
- Seek to have a declaration made, under the Commonwealth approvals process that the proposed development will be a “Controlled Action”.

As such the Company continues to adhere to its advancement plans in the South Burnett and future announcements upon the outlined lodgements and progress are imminent.

Regards

Jason Elks  
Managing Director  
Moreton Resources Limited



*\* The information is extracted from the report entitled “MRV Tarong Basin Coal Announces South Burnett Coal Resource of 912 Million Tonnes with Significant Upgrade in Resource Confidence” created on 10 December 2015 and is available to view on [www.moretonresources.com.au](http://www.moretonresources.com.au). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from the original market announcement.*

380000

382500

385000

387500

390000

392500



South Burnett Coal Project

EPC882  
Relinquishment Area

Scale:	1:75000	Reference No.:
Date (created):	09-May-2016	1
Date (modified):	09-May-2016	Revision: 1.0
Drawn By:	DJA	Checked By: JE

## LEGEND

## TENEMENTS

MDL 385

EPC 882

EPC 882 (relinquished subblocks)

Subblocks



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7045000

7042500

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