Rule 5.5

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/2013

Name of entity

Moreton Resources Ltd

ABN	Quarter ended ("current quarter")
75 060 111 784	30 June 2016

Consolidated statement of cash flows

	Cash flows related to operating activities	Current quarter $A'000	Year to date (9 months) $A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation(i)	(410)	(1,109)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(387)	(1,550)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	9	89
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes received / (paid)	-	-
1.7	Other (provide details if material) (ii)	(102)	(104)
	Net Operating Cash Flows	(890)	(2,674)
	Cash flows related to investing activities		
1.8	Payment for purchases of: (a) prospects (iii)	(25)	(347)
	(b) equity investments	-	-
	(c) other fixed assets	(1)	(71)
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
	Net investing cash flows	(26)	(418)
1.13	Total operating and investing cash flows (carried forward)	(916)	(3,092)

1.13	Total operating and investing cash flows (brought forward)	(916)	(3,092)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(916)	(3,092)
1.20	Cash at beginning of quarter/year to date	2,693	4,869
1.21	Exchange rate adjustments to item 1.20		
1.22	**Cash at end of quarter**	1,777	1,777

(i) Exploration and evaluation expenditure in the quarter relates primarily to the advancement of the Tarong Basin tenements.

(ii) During the quarter the company lodged cash bonds totalling $102,109 for environmental and rehabilitation bonds at the Company's exploration tenements following an approved reduction of these bonds. Previously these bonds by way of guarantee secured against term deposits. Refer to note (i) of Reconciliation of Cash section below.

(iii) Payments for the purchase of prospects represents the balance paid in respect of tenements EPM8854, EPM12858, EPM11445 and EPM18950 in the Silver Spur Basin.

Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities

		Current quarter $A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	(111)
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Salaries for Managing Director and Chairman of the Board. Standard monthly contract payment for other Non-Executive Directors.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

+ See chapter 19 for defined terms.

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available $A'000	Amount used $A'000
3.1	Loan facilities	Nil	Nil
3.2	Credit standby arrangements	Nil	Nil

Estimated cash outflows for next quarter

		$A'000
4.1	Exploration and evaluation (i)	(225)
4.2	Pre-feasibility study – Kingaroy tenements	(0)
4.3	Payments for purchase of prospects	(0)
4.4	Administration (ii)	(347)
	Total	**(572)**

(i) Exploration and evaluation includes the cost of geological modelling of the tenements in the Granite Belt project and advancement of the tenements in the Tarong Basin.

(ii) Administration cash outflows includes $195,000 for the AusIndustry AAT matter.

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter $A'000	Previous quarter $A'000
5.1	Cash on hand and at bank	1,028	1,944
5.2	Deposits at call	749	
5.3	Bank overdraft		
5.4	Other (restricted cash) (i)		749
	Total: cash at end of quarter (item 1.22)	1,777	2,693

(i) Other comprises the Bank Term Deposits being held as guarantee for various environmental and rehabilitation bonds at the Companies exploration tenements. During the quarter, these were replaced with cash bonds, as per note (ii) to the Consolidated statement of cashflows, and the guarantees surrendered. This led to the re-classification of these term deposits to "Deposits at call".

Changes in interests in mining tenements and petroleum tenements

		Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed		See Quarterly Activities Report		
6.2	Interests in mining tenements and petroleum tenements acquired or increased		See Quarterly Activities Report		

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	**Preference +securities** *(description)*	Nil	Nil		
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	-	-		
7.3	**+Ordinary securities**	1,829,167,072	1,829,167,072		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	-	-	-	-

+ See chapter 19 for defined terms.

7.5	[+]**Convertible debt securities** *(description)*	Nil	Nil	-	-
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	-	-	-	-
7.7	**Options** *(description and conversion factor)*	19,541,166 9,437,250 9,437,250 666,666	Nil Nil Nil Nil	*Exercise price* $0.004 $0.006 Nil	*Expiry date* 30 December 2016 31 December 2017 31 December 2017
7.8	Issued during quarter	-	-	-	-
7.9	Exercised during quarter	-	-	-	-
7.10	Expired during quarter	-	-	-	-
7.11	**Debentures** *(totals only)*	Nil	Nil		
7.12	**Unsecured notes** *(totals only)*	Nil	Nil		

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).

2 This statement does give a true and fair view of the matters disclosed.

Sign here: .... Date: ...29 July 2016........
(Company secretary)

Print name: ...Kate O'Donohue...............................