



Quarterly Report

29 July 2016



MORETON RESOURCES LIMITED

Committed to Safety, the Environment and the
Communities in which we seek to operate

The advancement in the last quarter of Moreton Resources Limited has been substantial and overall the quarter has seen the Company deliver on a variety of long term commitments. However in saying that, still the Company seeks to navigate the AusIndustry dispute, whereby the Company seeks to finalise its historical claims, however equally AusIndustry continues to believe that our prior Research and Development registrations are not valid. The flow on effect of this is the ATO therefore may seek to recoup payments from the 2012 and 2013 years, however the outcome of this, depends upon the Companies mediation set down for the 5th of August 2016 and should this fail, February 2017 for an Administrative Appeals Tribunal hearing, pertaining to the AusIndustry legislation.

Given the long history of successful claims, it is extremely disappointing that this is now the view of AusIndustry however the Company continues to advance its rights through the appeals process.

On a more positive and productive note the following highlights are worthy of note in the quarter.

Key Highlights:

- Exploration targets identified within the “Granite Belt Project” showing positive potential for Copper and Silver resources.
- The Commonwealth Dept of Environment declared the South Burnett Coal Project a “Controlled Action” which will allow the bilateral assessment process to be undertaken.
- Finalization of the aquisition of the former Texas Silver Mines asset portfolio, now named the “Granite Belt Project”.
- Substantial refund received in regard to the remediation and rehabilitation of the former Kingaroy Pilot Plant site.

1.0 TENEMENTS and PROJECTS

Statement of Tenement Status (As at 30 June 2016)

Tenement	Status	Region	Name	Equity Interest (%) *		Sub Company
				31 March 2015	30 June 2016	
EPC 1445	Granted	Bowen Basin	Mackenzie Project	100	100	MRV Bowen Basin Coal
MDL 503	Granted	Bowen Basin	Mackenzie Project	100	100	MRV Bowen Basin Coal
MDL 420	Granted	Surat Basin	Wandoan Project	100	100	MRV Surat Basin Coal
MDL 385	Granted	Tarong Basin	South Burnett Project	100	100	MRV Tarong Basin Coal
EPC 882	Granted	Tarong Basin	South Burnett Project	100	100	MRV Tarong Basin Coal
EPM8854	Granted – under renewal application	Granite Belt	Granite Belt Project	0	100	MRV Metals
EPM11455	Granted	Granite Belt	Granite Belt Project	0	100	MRV Metals
EPM12858	Granted – under renewal application	Granite Belt	Granite Belt Project	0	100	MRV Metals
EPM18950	Granted – under renewal application	Granite Belt	Granite Belt Project	0	100	MRV Metals

* All assets are fully owned by subsidiary Companies; however, each is 100% wholly owned by the parent Company of Moreton Resources Ltd

South Burnett Project (Tarong Basin, MDL 385-EPC 882)

Significant advancement has been undertaken by MRV Tarong Basin Coal Pty Ltd, as such post Commonwealth declaration of a controlled action, the Initial Advice Statement has been lodged and we await a determination upon a declaration of a "Coordinated Project".

Mackenzie Project (Bowen Basin, EPC 1445, MDL 503)

The Mackenzie project is still a key focus for the Company and whilst we do not envisage any substantial progress in the coming quarter, we continue to assess and plan our next steps with a target of advancing activities in late 2016 calendar year.

Wandoan Project (Surat Basin, MDL 420)

A review of this asset is being undertaken around the current geological understanding and next steps, in boarder consideration of the opening of the Surat Basin.

Granite Belt Project (EPM11455, EPM18950, EPM8854 and EPM12858)

Key advancements in this area have been the transfer of the tenement package, and also the formalisation of a potential restart team, to develop a move forward strategy and this work is ongoing currently.

2.0 BUSINESS DEVELOPMENT

The Company continues to focus internally and work toward optimisation of its own assets for advancement.

3.0 FINANCE AND COMMERCIAL

Moreton Resources continues to maintain a strong cash position, with total available operating cash at bank of \$1.777 million at the end of the quarter.

4.0 COMPANY OUTLOOK

Whilst we continue to advance operationally, the Company is continuing to be constrained by the outstanding AusIndustry matters and we are seeking to advance to arbitration as soon as possible.

Jason Elks
Chief Executive Officer
Moreton Resources Limited