

# Appendix 5B

## Mining exploration entity monthly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

MARION ENERGY LIMITED

ABN

99 000 031 292

Month ended ("current month")

31 May 2010

### Consolidated statement of cash flows

	Current month \$A'000	Year to date ( 11 months) \$A'000
<b>Cash flows related to operating activities</b>		
1.1 Receipts from product sales and related debtors	87	808
1.2 Payments for (a) exploration and evaluation		
(b) development	(6)	(6,832)
© production	(47)	(2,251)
(d) administration	(65)	(3,632)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	2	26
1.5 Interest and other costs of finance paid		(3,365)
1.6 Income taxes paid		
1.7 Other (provide details if material)		
<b>Net Operating Cash Flows</b>	(29)	(15,246)
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:		
(a)prospects		
(b)equity investments		
©other fixed assets		
1.9 Proceeds from sale of:		
(a)prospects		
(b)equity investments		
©other fixed assets		
1.10 Loans to other entities		
1.11 Loans repaid by other entities		
1.12 Other (provide details if material)		
<b>Net investing cash flows</b>		
1.13 Total operating and investing cash flows (carried forward)	(29)	(15,246)

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1.13	Total operating and investing cash flows (brought forward)	(29)	(15,246)
<b>Cash flows related to financing activities</b>			
1.14	Proceeds from issues of shares, options, etc.(net of costs)		8,971
1.15	Proceeds from sale of forfeited shares		
1.16	Proceeds from borrowings		5,811
1.17	Repayment of borrowings		
1.18	Dividends paid		
1.19	Other – Capital Return		
	Other – Capital Raising Costs		
	<b>Net financing cash flows</b>		14,782
	<b>Net increase (decrease) in cash held</b>	(29)	(464)
1.20	Cash at beginning of quarter/year to date	394	829
1.21	Exchange rate adjustments to item 1.20		
1.22	<b>Cash at end of month</b>	365	365

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

		Current month \$A'000
1.+23	Aggregate amount of payments to the parties included in item 1.2	NIL
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

Remuneration of Executive and 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

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.*

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	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	52,000	52,000
3.2 Credit standby arrangements		

**Estimated cash outflows for next month**

	\$A'000
4.1 Exploration and evaluation	
4.2 Development	50
<b>Total</b>	50

**Reconciliation of cash**

Reconciliation of cash at the end of the month (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current month \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	365	394
5.2 Deposits at call		
5.3 Bank overdraft		
5.4 Other (provide details)		
<b>Total: cash at end of month</b> (item 1.22)	365	394

**Changes in interests in mining tenements**

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	-	-	-
6.2	Interests in mining tenements acquired or increased	-	-	-

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**Issued and quoted securities at end of current month**

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

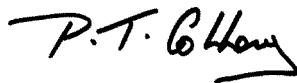
	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preference +securities</b> <i>(description)</i>	Nil			
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b>+Ordinary securities</b>	429,822,043	429,822,043		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 <b>+Convertible debt securities</b> <i>(description)</i>	Nil			
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 <b>Options</b> <i>(description and conversion factor)</i>			Exercise price	Expiry date
	1,500,000	Unlisted	\$1.00	30 May 2011
	5,000,000	Unlisted	\$0.40	28 August 2011
	1,500,000	Unlisted	\$0.90	14 November 2011
	1,000,000	Unlisted	\$0.70	14 November 2011
	7,000,000	Unlisted	\$0.30	18 September 2012
	10,000,000	Unlisted	\$0.375	1 July, 2012
	49,205,017	Listed	\$0.25	7 December 2011
	13,333,333	Unlisted	\$0.10	18 March, 2012

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7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	<b>Debentures</b> <i>(totals only)</i>		Nil		
7.12	<b>Unsecured notes</b> <i>(totals only)</i>		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 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: ..... 17 June 2010.....  
(Director/Company secretary)

Print name: Peter Thomas Collery

## Notes

- 1 The monthly report provides a basis for informing the market how the entity's activities have been financed for the past monthly and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.

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- 5      **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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