

Appendix 5B

Mining exploration entity quarterly report

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

Name of entity

OTIS ENERGY LIMITED (CONSOLIDATED)

ABN

93 075 419 715

Quarter ended ("current quarter")

30 JUNE 2012

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date \$A'000 (12 months) \$A
1.1 Receipts from product sales and related debtors	125	251
1.2 Payments for		
(a) exploration and evaluation	(947)	(2,289)
(b) development	-	-
(c) production	-	-
(d) administration	(313)	(1,181)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	5	39
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (Lowell Resources Fund Management Bonus)	-	-
Net Operating Cash Flows	(1,130)	(3,180)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects/farmins	-	(604)
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of:		
(a) prospects	105	105
(b) equity investments	-	700
(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	105	201
1.13 Total operating and investing cash flows (carried forward)	(1,025)	(2,979)

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1.13	Total operating and investing cash flows (brought forward)	(1,025)	(2,979)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares	2,961	3,311
1.15	Proceeds for shares not yet allotted	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other – Capital raising costs	(227)	(235)
	Net financing cash flows	2,734	3,076
	Net increase (decrease) in cash held	1,709	97
1.20	Cash at beginning of quarter/year to date	265	2,400
1.21	Deconsolidation of Lowell Capital Limited cash At 31 August 2011 as a result of sale	-	(541)
1.22	Exchange rate adjustments to item 1.20	(16)	2
1.23	Cash at end of quarter	1,958	1,958

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 quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	124
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Consultancy fees paid to Directors and Director related entities during the June 2012 quarter.

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

During the quarter the Company issued 60 million options (ASX:OTEOA) as part fees for services.

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

+ See chapter 19 for defined terms.

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	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation and completions	652
4.2 Development	-
4.3 Production	-
4.4 Administration	174
Total	816

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	1,958	265
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other	-	-
Total: cash at end of quarter (item 1.22)	1,958	265

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	See Activities Report		
6.2	Interests in mining tenements acquired or increased			

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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 <i>(description)</i>	-	-	-	-
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	-	-	-	-
7.3 +Ordinary securities	1,154,564,508	1,154,564,508	-	-
7.4 Changes during quarter (a) Increases through issues (b) Decreases through consolidation	592,280,783 -	592,280,783 -	0.5 cents	0.5 cents
7.5 +Convertible debt securities <i>(description)</i>	-	-	-	-
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>			<i>Exercise price</i>	<i>Expiry date</i>
	186,049,962	186,049,962	\$0.050	31 Dec 2015
	722,280,783	722,280,783	\$0.010	30 Jun 2013
	26,500,001	-	\$0.100	31 Dec 2013
	6,550,000	-	\$0.100	31 Dec 2012
	6,800,000	-	\$0.150	31 Dec 2013
7.8 Issued during quarter	722,280,783	722,280,783	\$0.010	30 Jun 2013
7.9 Exercised during quarter	-	-	-	-
7.10 Expired during quarter	-	-	-	-
7.11 Debentures <i>(totals only)</i>	-	-	-	-
7.12 Unsecured notes <i>(totals only)</i>	-	-	-	-

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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:



Date: 31 July 2012

Director & Company Secretary

Print name: WINTON WILLESEE

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter 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.
- 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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