

MOBY OIL & GAS LIMITED

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QUARTERLY ACTIVITY REPORT

30 JUNE 2013

Moby Oil & Gas Limited (**ASX Code: MOG**), by itself and through its wholly-owned subsidiaries, held working interests at the end of the quarter in three petroleum exploration permits in the offshore basins of Australia. One is located in the Carnarvon Basin (WA-409-P), one in the Browse Basin (WA-342-P) and one in the Gippsland Basin (Vic/P47). Details of these permits and the work activities undertaken in each one during the quarter are provided below.

During the quarter, the transfer of Moby's entire 25% participating interest in Vic/P41 to the other participants in the Vic/P41 joint venture was approved and registered by the regulatory authority.

The policy underlying the management of the Moby group's permits and related interests is a cohesive policy which, insofar as is practical and both legally and commercially expedient, does not differentiate between whether they are owned by Moby Oil & Gas Limited directly, or indirectly through a wholly-owned subsidiary. These interests and assets are all referred to in this report as being held by "Moby" or "the Company".

CORPORATE ACTIVITY

Demerger of EnegeX NL

As outlined previously, the Board considered it would be in the best interests of all shareholders if Moby is divided into two companies. These two companies are proposed to be Moby and a subsidiary of Moby, EnegeX NL (**EnegeX**).

During the quarter, Schemes of Arrangement were proposed to be entered into between Moby and its Members and Moby and its Optionholders (**Schemes**). As a consequence, a booklet detailing the Schemes was distributed to Members and Optionholders and the relevant resolutions were voted on and passed at the requisite General and Class Meetings on 14 June 2013. Following those meetings, the Supreme Court of Victoria (**Court**) approved the Schemes on 24 June 2013 and ASX suspended Moby from Official Quotation at the close of trading that day.

As approved by the Court, the Record Date to determine entitlements to EnegeX shares was 1 July 2013 and EnegeX options was 30 June 2013.

The Schemes were subject to a series of conditions precedent to be satisfied before the Schemes were able to come into effect. Those conditions have been satisfied but implementation of the schemes is subject to a series of conditions subsequent which are required to be satisfied before EnegeX becomes listed on ASX in lieu of Moby. The latest estimate for the implementation date and listing of EnegeX is the second half of August 2013.

Once the Schemes are implemented, EnegeX will primarily be owned by the Moby shareholders who are not associated with Mr Albers, the Company's Executive Chairman. Those 'non-associated' shareholders will hold approximately 88.54% of the EnegeX capital and Mr Albers and his associates the remaining approximately 11.46% of the EnegeX capital.

Moby's assets will be divided on an equitable basis between the two companies and Moby will become wholly owned by Mr Albers and his associates and be delisted, with EnegeX being listed on ASX in its place.

During the previous quarter, the Joint Venture applied to vary the Year 6 work programme from a well commitment to reprocessing of 3D seismic data and geotechnical studies. On 24 April 2013, the regulatory authority granted the variation application on the understanding that the Joint Venture will commit to drill a well in the first year of the term of any renewal of the permit.

WA-342-P – Browse Basin

The Operator of WA-342-P is Cornea Resources Pty Ltd and the permit is held by the Cornea Joint Venture which consists of the following interests:

Coldron Group	29.100%
Moby Oil & Gas Limited	22.375%
Octanex Group (ASX Code: OXX)	18.750%
Cornea Petroleum Pty Ltd	14.875%
Cornea Oil & Gas Pty Ltd	8.500%
Auralandia N.L.	6.400%

WA-342-P is located in the Caswell Sub-basin of the Browse Basin offshore from Western Australia and covers an area of approximately 1,755 km² – see the *WA-342-P Location Map* (Figure 2).

The permit is in its first 5-year renewed term where the committed work programme in the first three years calls for studies and an exploration well; followed by reprocessing of 3D seismic and further studies in the last two years of the term.

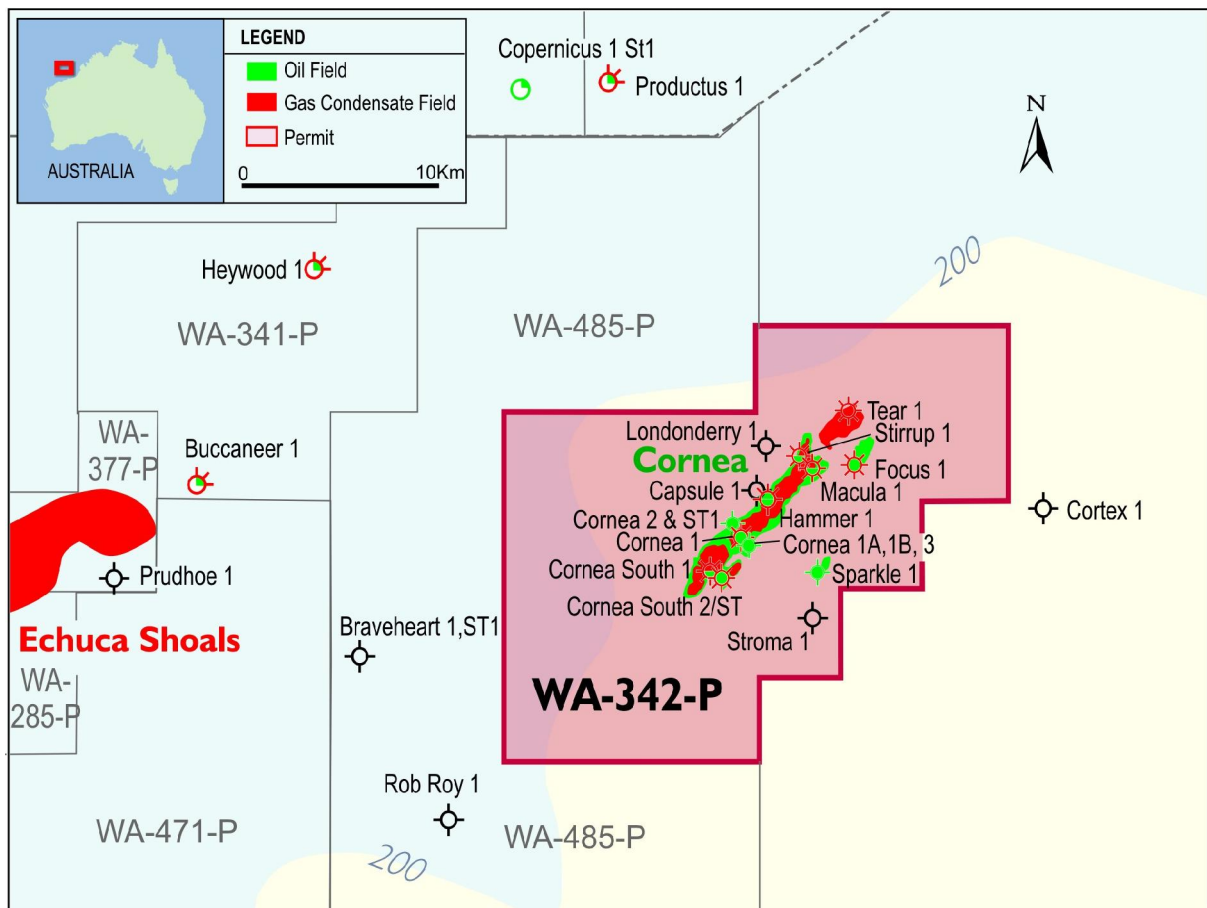


Figure 2: *WA-342-P Permit Location Map*

During Q4 2012, an application for a suspension of the Year 2 work programme commitments and extension of the permit's term was lodged with the regulatory authorities. This was done in anticipation of the potential lodgement of a retention lease application, as the form of such a lease and the status of the remainder of the permit area both need to be determined ahead of undertaking any further exploration work.

The Joint Venture has been considering the best permit arrangement and work programme under which to evaluate the Cornea structure and its known oil and gas resources. To this end, preliminary discussions have been held with the regulatory authorities.

The first step towards seeking a retention lease is the declaration of a location over the Cornea accumulations and the relevant application for such a location was lodged during the previous quarter. On 6 June 2013, the Commonwealth – Western Australia Offshore Petroleum Joint Authority declared a location over the Cornea oil and gas accumulations (**The Greater Cornea Field**).

The declared location covers six graticular blocks within the WA-342-P permit and the accumulations that make up The Greater Cornea Field include the Cornea (Central and South), Focus and Sparkle Oil Fields and the Tear Gas Field – see the *Cornea Location Map* (Figure 3).

Studies in relation to the permit and the Cornea structure continue.

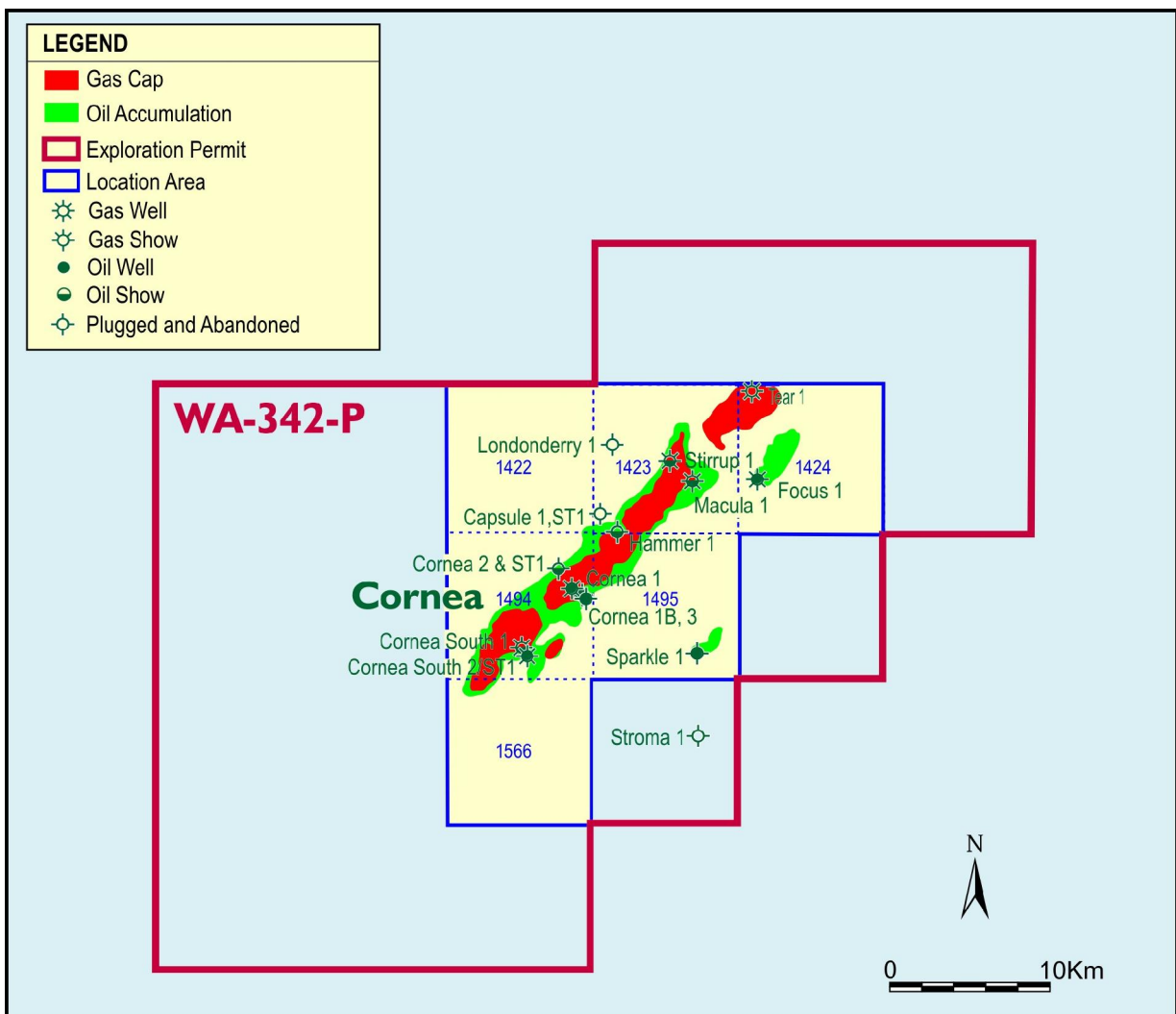


Figure 3: Cornea Location Map within WA-342-P

Vic/P47 – Gippsland Basin

The Vic/P47 Joint Venture consists of:

Bass Strait Oil Company Limited	40% and Operator
Moby Oil & Gas Limited	35%
Strategic Energy Resources Limited	25%

The Vic/P47 permit is located in the offshore Gippsland Basin, 14 km from the coast and south of the Victorian town of Orbost; with water depths ranging up to 80 metres – refer to the *Vic/P47 Location Map* (Figure 4).

The permit is in Year 4 of the first 5-year renewed term, where the work commitments were varied during the previous quarter and are now to carry out a reappraisal of the Judith gas resource and conceptual field development and well design studies. This follows the gas marketing studies and conceptual appraisal planning completed during Year 3.

The joint venture applied to the National Offshore Petroleum Titles Administrator for a Declaration of Locations over nominated blocks covering the Judith and Moby discoveries within Vic/P47. The Judith application was not approved and a decision on the Moby application is pending.

During the second half of 2012, the Joint Venture completed the interpretation of the simultaneous seismic inversion work that had been undertaken by Schlumberger on the reprocessed Moby 3D seismic volume and 200 km² of the Northern Fields 3D seismic survey.

The seismic inversion work covered the Moby, Flathead/Whale gas occurrence and Judith fields and was aimed at delineating the field boundaries with more certainty, together with increasing the certainty that the seismic amplitudes surrounding the Judith gas discovery are representative of gas saturated sandstone reservoirs.

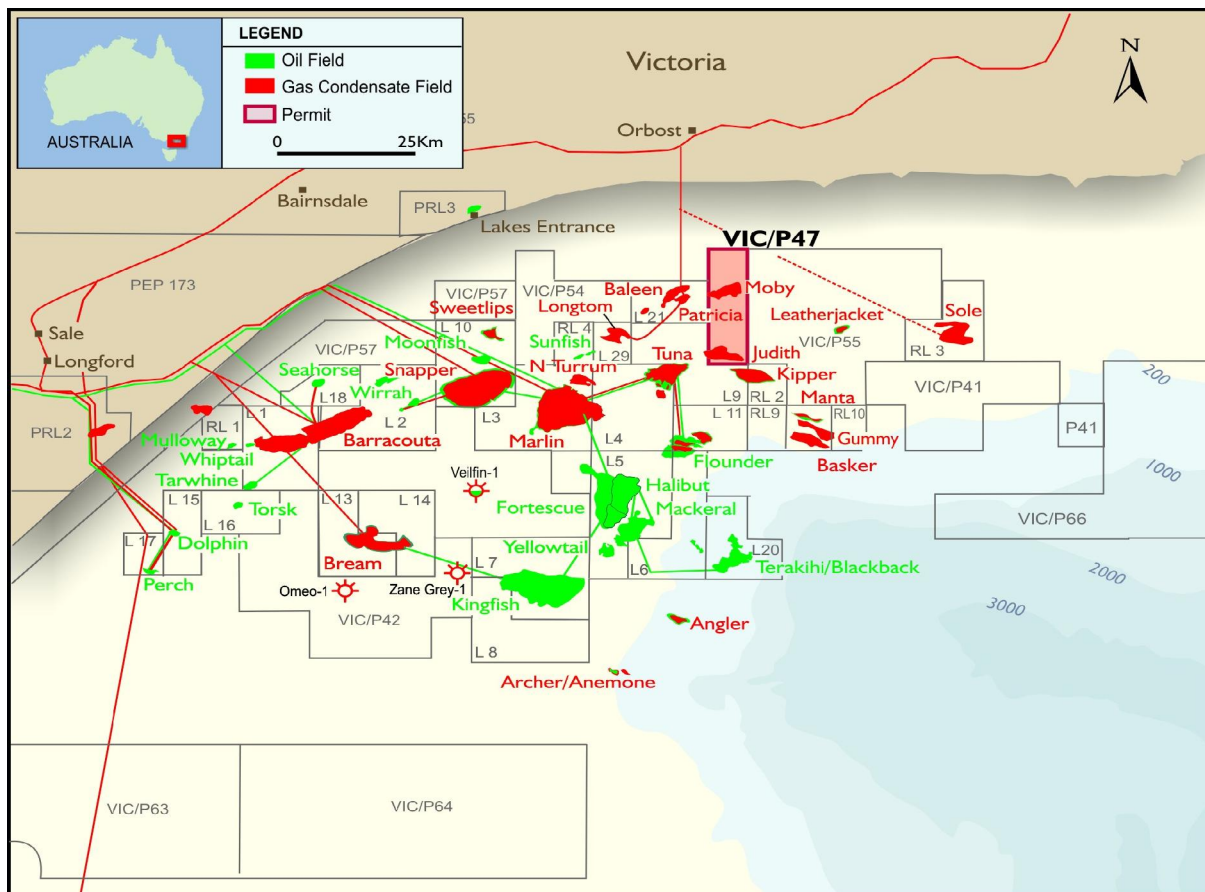


Figure 4: Vic/P47 Permit Location Map

Vic/P47 contains the Judith gas discovery – see the *Vic/P47 Prospects and Leads Map* (Figure 5). The Judith gas discovery is in close proximity to existing and planned infrastructure in adjacent licences, with the Judith resource located approximately 22 km east of the Longtom Gas Field; where Nexus Energy holds a 100% interest and commenced production late in 2009.

Longtom is the first commercial production from the Emperor Subgroup, a geological unit which also forms the potential reservoir at Judith. The Longtom Field has been developed on the basis of a contract to sell 350 PJ (approximate conversion = 325 BScf) of sales gas.

As noted above, a variation to the Year 4 work programme was granted in Q1 2013 and, as a consequence, the Joint Venture commenced the reappraisal of the potential gas resource for the Judith discovery during the quarter. The conceptual field development and well design studies are underway.

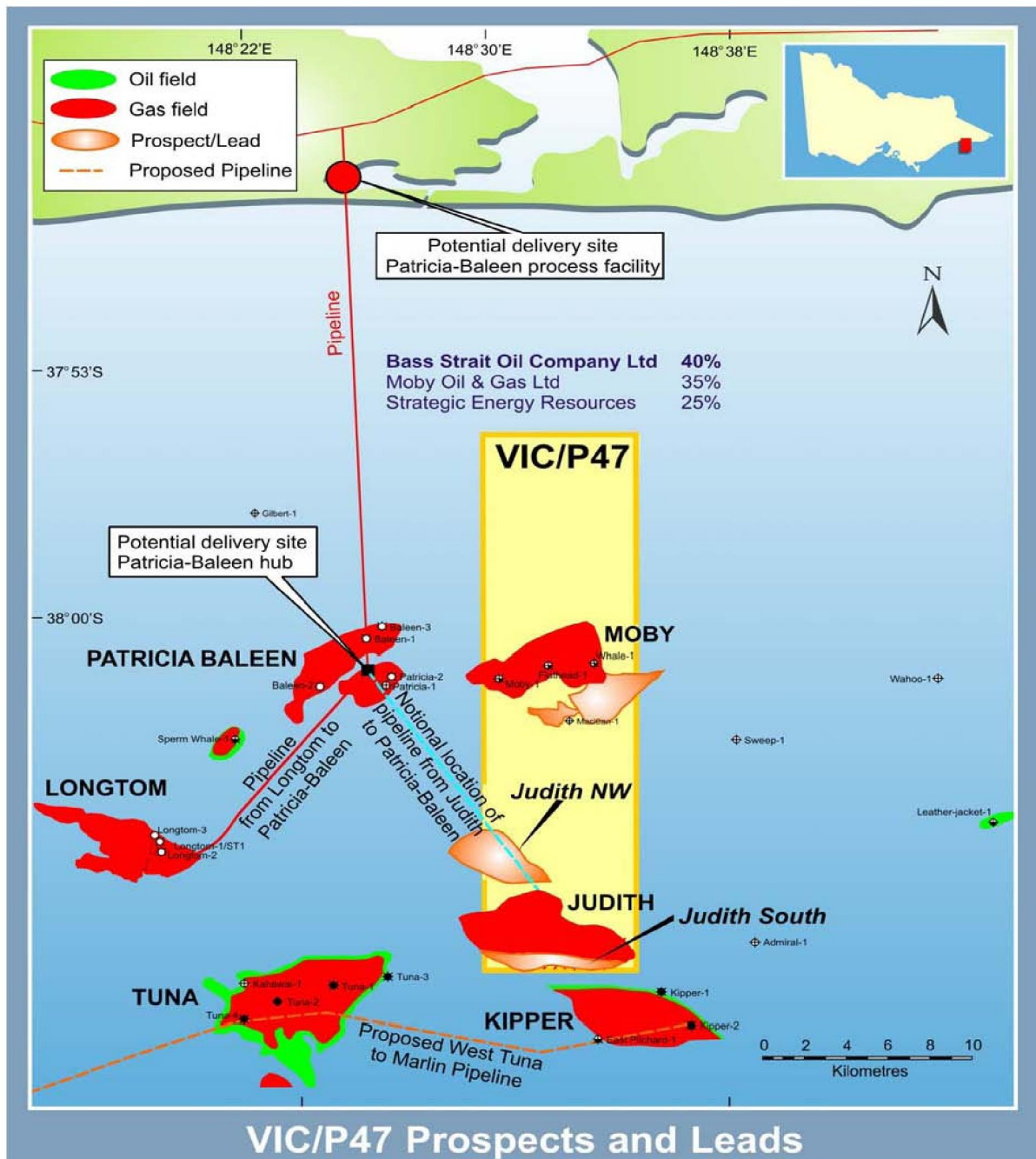


Figure 5

In June 2008, the Judith gas resource was certified by international consultants, Gaffney Cline & Associates (**GCA**), who provided an independent resource certification of the Judith gas discovery and associated prospects in Vic/P47 based on available data at the time.

Since GCA provided its certification of the Judith gas resource, the Joint Venture has received the results of the detailed seismic inversion studies that had been carried out by Schlumberger and completed the interpretation of that work.

As part of the Joint Venture's reappraisal of the Judith gas discovery, GCA was commissioned to updating its 2008 certification of the Judith gas resource, with their related report to incorporate the new seismic inversion data. GCA provided its updated report (**CGA 2013 Report**) during the quarter. GCA's present estimates of gas initially in place (GIIP) and 1C, 2C and 3C Gross Contingent Resources are summarized in the following table and the attendant Notes that are both taken from the CGA 2013 Report.

GCA has stated in their report that the seismic inversion processing has enabled them to decrease the uncertainty in the Contingent Resource estimates by utilizing pre-stack AVO inversion attributes to define possible connected resource volumes for the Judith reservoirs listed in the table below. GCA has also stated in their report that the seismic inversion data highlights that structural and stratigraphic complexities may limit reservoir connectivity and that, in light of this, the previous GCA High Case may no longer be valid.

No economic limit test has been undertaken to assess the commercial viability of the estimated contingent hydrocarbon resources referred to in the following table.

**SUMMARY OF GIIP AND GROSS CONTINGENT RESOURCES
FOR THE JUDITH DISCOVERY AS AT 31 MARCH 2013 ***

Reservoir	GIIP (Bscf)			Gross Contingent Resources (Bscf)		
	Low	Best	High	1C	2C	3C
Sand-1A	3.0	6.6	14.0	1.7	4.3	10.5
Sand-18	10.6	22.7	48.2	5.8	14.8	36.1
Sand-2	21.6	43.7	88.0	11.9	28.4	66.0
Sand-3A	20.9	48.8	113.5	11.5	31.7	85.1
Sand-38	2.6	7.7	22.8	1.4	5.0	17.1
Sand-4A	6.1	19.2	59.9	3.4	12.5	44.9
Sand-48	2.0	6.6	21.6	1.1	4.3	16.2
Total	66.7	155.4	368.0	36.7	101.0	276.0

* **Source:** Report by Gaffney Cline & Associates dated 2 May 2013 entitled "UPDATE TO THE RESOURCE ESTIMATE FOR THE JUDITH FIELD, OFFSHORE VICTORIA, AUSTRALIA AS AT MARCH 31, 2013"

Notes:

1. Gross Contingent Resources are 100% of the volumes estimated to be recoverable from the field without any economic cut-off being applied.
2. The volumes reported are "*Unrisked*" in the sense that a Chance of Development factor has not been applied to the designated volumes within this assessment. Chance of Development represents an indicative estimate of the probability that the Contingent Resource will be developed, which would warrant the re-classification of that volume as a Reserve.
3. Natural gas volumes represent expected gas sales, and are reported in billions of cubic feet (Bscf) at standard conditions of 14.7 psia and 60° F.
4. The volumes reported in the table have not been reduced for non-hydrocarbon gas (CO₂, N₂) content.

By Order of the Board

R J Wright
Company Secretary

Melbourne, Australia

31 July 2013

Risk Factors

Various statements in this release constitute statements relating to intentions, future acts and events. Such statements are generally classified as forward looking statements and involve known and unknown risks, expectations, uncertainties and other important factors that could cause those future acts, events and circumstances to differ from the way or manner in which they are expressly or impliedly portrayed in this report.

Furthermore, exploration for oil and gas is speculative, expensive and subject to a wide range of risks. Summaries of some of the risks inherent in an investment in Moby Oil & Gas Limited are set out in the Company's latest information document (being the Proposed Schemes of Arrangement booklet dated 10 May 2013) provided to Shareholders and lodged with the Australian Securities and Investment Commission. Individual investors should consider these matters in light of their personal circumstances (including financial and taxation affairs) and seek professional advice from their accountant, lawyer or other professional adviser as to the suitability for them of an investment in the Company.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10, 17/12/1, 01/05/2013.

Name of entity

MOBY OIL & GAS LIMITED

ABN

17 106 653 794

Quarter ended ("current quarter")

30 June 2013

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from product sales and related debtors		
1.2 Payments for (a) exploration and evaluation (b) development (c) production (d) administration	(53)	(169)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	51	110
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other - Proceeds from Permit Sale		
Net Operating Cash Flows	(167)	(765)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a)prospects (b)equity investments (c) other fixed assets		
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		
1.13 Total operating and investing cash flows (carried forward)	(167)	(765)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity and oil and gas exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(167)	(765)
	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	Share issue costs		
	Net financing cash flows		
	Net decrease in cash held	(167)	(765)
1.20	Cash at beginning of quarter/year to date	2,336	2,934
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	2,169	2,169

Payments to directors of the entity and 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	72
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

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

+ 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

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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	50
4.2 Development	
4.3 Production	
4.4 Administration	100
Total	150

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	48	116
5.2 Deposits at call	2,121	2,220
5.3 Bank overdraft	-	-
5.4 Other (provide details)		-
Total: cash at end of quarter (item 1.22)	2,169	2,336

+ See chapter 19 for defined terms.

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 Activity Report Section		
6.2	Interests in mining tenements and petroleum tenements acquired or increased	See Activity Report Section		

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	322,000,862	322,000,862	
7.4	Changes during quarter			
	(a) Increases through issues			
	(b) Decreases through returns of capital, buy-backs			
7.5	+Convertible debt securities			
	<i>(description)</i>			

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options <i>(description and conversion factor)</i>	2,700,000 40,662,282	- 40,662,282	<i>Exercise price</i> 25 cents 12 cents	<i>Expiry date</i> 10/11/2013 30/06/2013*
7.8	Issued during quarter				
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>				

* Record date for Enegex NL options scheme of arrangement is 30 June 2013.

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:
(Company Secretary)

Date: 31/07/2013

Print name: R. J. WRIGHT

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.

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity and oil and gas exploration entity quarterly report

- 2 The “Nature of interest” (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum 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 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting 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.

+ See chapter 19 for defined terms.