

MOBY OIL & GAS LIMITED

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QUARTERLY ACTIVITY REPORT

TO 31 MARCH 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, Moby offered to transfer its entire 25% participating interest in Vic/P41 to the other participants in the Vic/P41 joint venture. Subsequently, the offer was accepted and documentation has been concluded, subject to approval and registration by the authorities.

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".

OPERATIONAL MATTERS

Carnarvon Basin Interest

WA-409-P – Carnarvon Basin

The WA-409-P Joint Venture consists of the following parties:

Apache Northwest Pty Ltd	40% and Operator
Rankin Trend Pty Ltd (subsidiary of Moby)	30%
Cue Exploration Pty Ltd (subsidiary of Cue Energy Resources Limited)	30%

WA-409-P is located in the Dampier Sub-basin of the Carnarvon Basin offshore from Western Australia and covers an area of approximately 566 km² in water depths of less than 500 metres – see the following *WA-409-P Permit Location Map*.

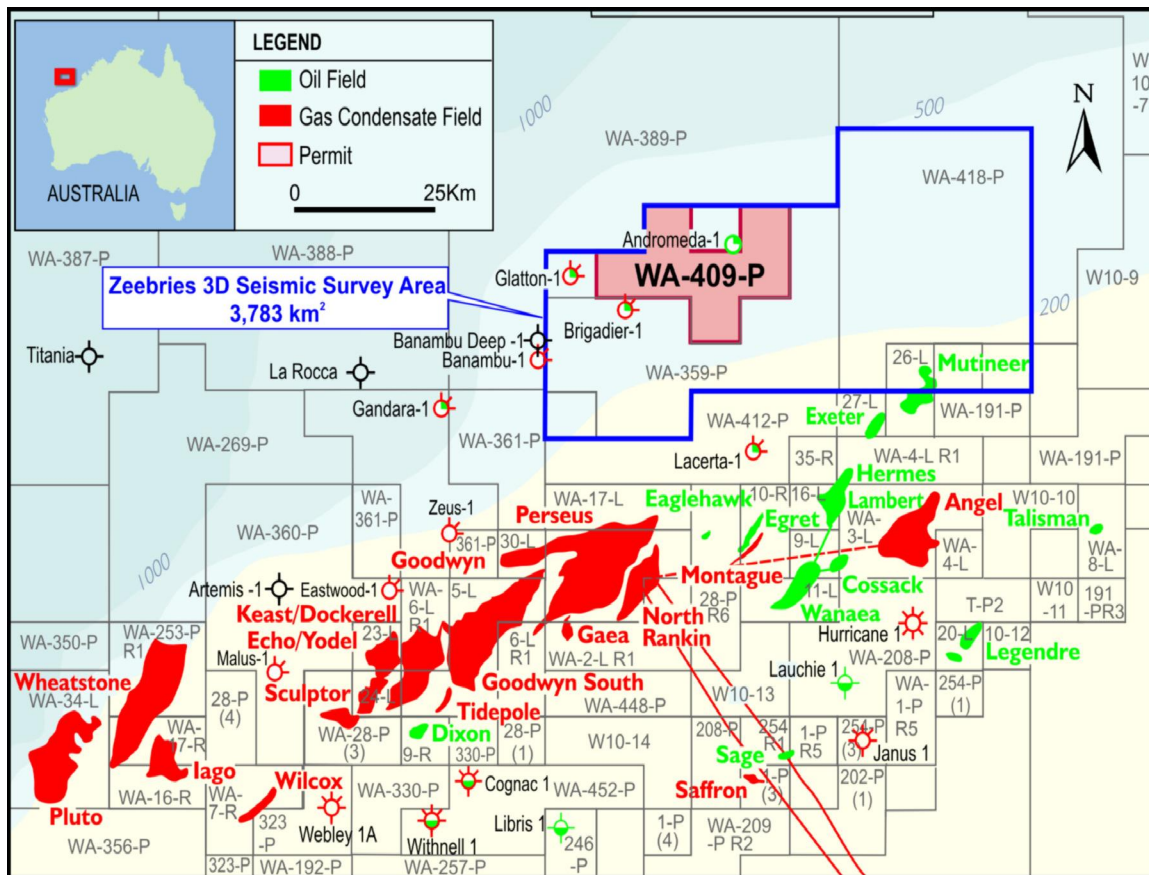
A subsidiary of Apache Corporation (**Apache**) farmed into the permit and funded the acquisition of the Zeebries 3D seismic survey across the whole of the area of WA-409-P. By acquiring, processing, mapping and interpreting the Zeebries 3D survey at its cost, Apache earned a 40% equity interest and operatorship of WA-409-P. The aim of the Zeebries 3D survey was to define several new, potentially drillable, leads and prospects.

The Zeebries 3D survey incorporated the entire 566 km² area of the WA-409-P permit, plus the entire area of the adjoining WA-359-P permit and part of two other adjoining permits – see the *Zeebries 3D Seismic Survey Map* below.

Apache has a further right to elect to earn an additional interest in WA-409-P by funding up to 100% of the costs of the first well to be drilled in the permit. If Apache elects to drill a well in WA-409-P, Moby will be free carried through the costs of the well but will retain a 15% carried interest.

The Company has retained the right to elect to fund 5% of the costs of any well in WA-409-P and, by doing so, to maintain its potential interest in the permit at 20%.

During the quarter, the Joint Venture applied to vary the Year 6 work programme to reprocessing of 3D seismic data and geotechnical studies, in place of the present well commitment. The application was made on the basis that, if the variation were to be granted, the Joint Venture will commit to drill a well in the first year of the term of any renewal of the permit. The Joint Authority have subsequently approved the variation.



WA-409-P Permit Location and Zeebries 3D Seismic Survey Map

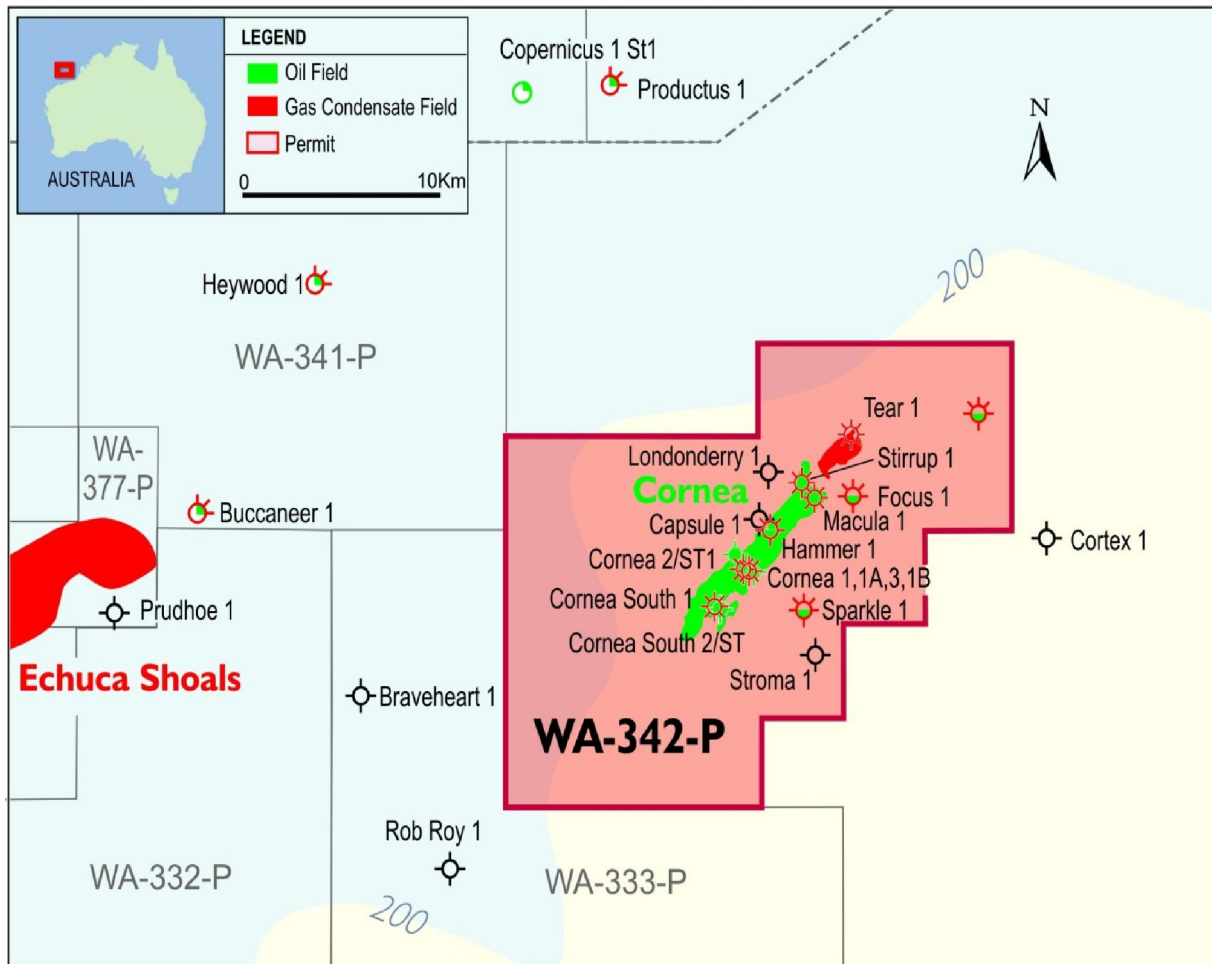
Browse Basin Interest

WA-342-P – Browse Basin

The Operator of this permit 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 following *WA-342-P Permit Location Map*.



WA-342-P Permit Location Map

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

During the previous quarter, 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.

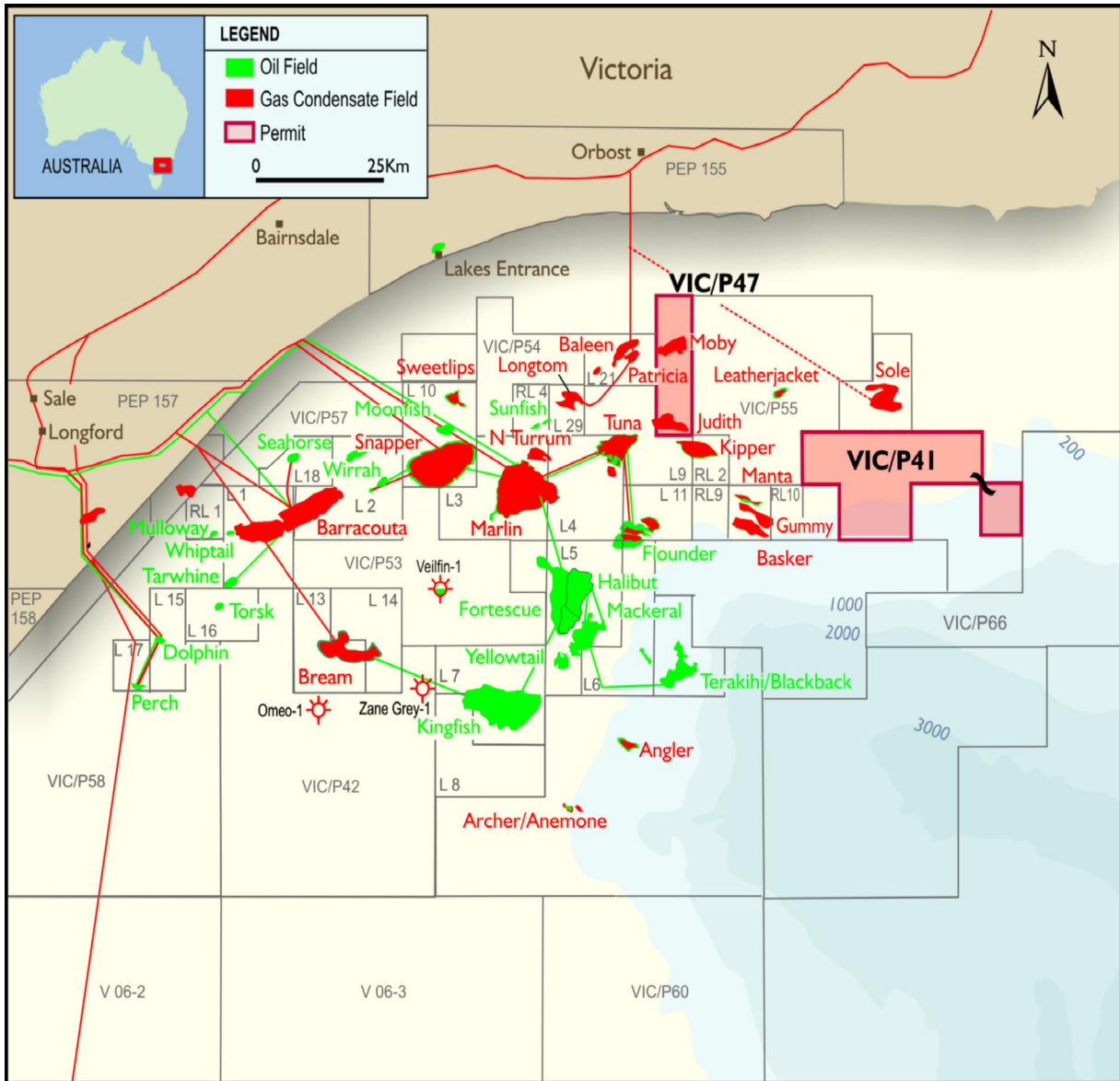
The Joint Venture has been considering the best permit arrangement and work programme under which to evaluate the Cornea structure and its known oil resource. As noted, consideration is being given to converting the current exploration permit into a retention lease. To this end, preliminary discussions 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. The relevant application for such a location was made on 14 February 2013.

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

Gippsland Basin Interests

Moby holds an interest in Vic/P47 in the offshore Gippsland Basin and is in the process of finalising its interest in the Vic/P41 permit — see the following *Gippsland Basin Permit Location Map*.



Gippsland Basin Permit Location Map

Vic/P47 – Gippsland Basin

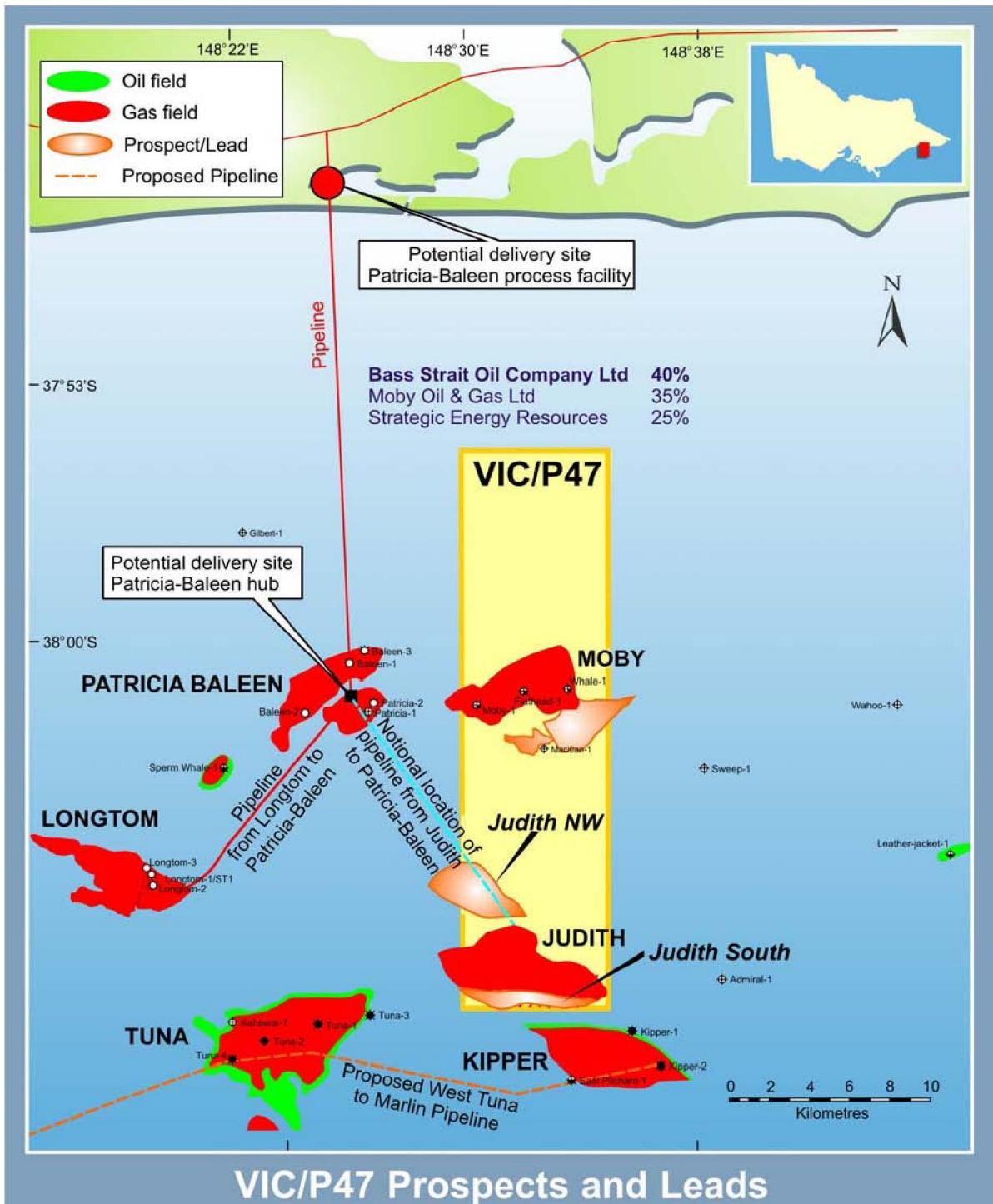
The Vic/P47 Joint Venture consists of:

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 *Gippsland Basin Permit Location Map* above.

The permit is in Year 4 of the first 5-year renewed term where the work commitment is to carry out planning studies. This follows the gas marketing studies and conceptual appraisal planning completed during Year 3. During the previous quarter, the Joint Venture reviewed recently released public data on the nearby Longtom field with the aim of finalising the Year 5 studies programme.

During the second half of 2012, the Joint Venture completed the interpretation of the simultaneous seismic inversions undertaken on the reprocessed Moby 3D seismic volume and 200 square kilometres of the Northern Fields 3D seismic survey. The work covered the Moby, Flathead/Whale gas occurrence and Judith fields and was aimed at delineating the field boundaries with more certainty, as well as increasing the certainty that the seismic amplitudes surrounding the Judith gas discovery are representative of gas saturated sandstone reservoirs.



Vic/P47 contains the Judith gas discovery – see the *Vic/P47 Prospects and Leads Map* above. The Judith gas resource is in close proximity to existing and planned infrastructure in adjacent licences. The Judith gas discovery is located 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 per the work programme variation granted during the quarter, on 12 February 2013, the Joint Venture commenced the intended re-study of the potential gas resource for the Judith gas discovery and will later be carrying out conceptual field development and well design.

Vic/P41 – Gippsland Basin

During the quarter, and as disclosed in the Half Year Financial Report released on 6 March 2013, the Company impaired its 25% interest in Vic/P41 and it was determined to actively seek assignment of the entire permit interest to the other participants in the Vic/P41 joint venture.

The Company negotiated final terms on which to dispose of its interest in the permit and the associated joint venture with the proposed acquirer, Oil Basins Limited (**ASX code: OBL**). Moby gave the Joint Venture participants notice of its intention to sell and assign the interest to OBL. Subsequently, Bass Strait Oil & Gas Limited (**ASX code: BAS**) exercised its pre-emptive right to acquire its pro rata share of Moby's interest in the Joint Venture and the permit. Documentation has been concluded, subject to approval and registration by the authorities.

The consideration for the sale and assignment to OBL and BAS was the assumption, by the acquiring parties, of all present and future liabilities relating to Moby's interest in Vic/P41 under the terms of the joint venture operating agreement and the terms of grant of the permit.

CORPORATE ACTIVITY

Proposed 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 N L (**ENEGEX**).

It is to be proposed to Moby's shareholders that ENEGEX primarily be owned by the Moby shareholders who are not associated with Mr Albers, the Company's Executive Chairman. Under the proposal, 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.

It is also part of the proposal that Moby's assets be divided on an equitable basis between the two companies.

Moby will become wholly owned by Mr Albers and his associates and be delisted, with ENEGEX being listed on ASX in its place.

The demerger will be carried out by schemes of arrangement between Moby and its members and optionholders.

Applications have been made to the Supreme Court of Victoria to convene appropriate scheme meetings and the scheme booklet has been lodged with the Court and ASIC.

Moby has been granted the necessary waivers from the ASX to enable it to proceed as proposed.

By Order of the Board



R J Wright
Company Secretary

Melbourne, Australia

24 April 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 Explanatory Memorandum dated 27 November 2009) 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 quarterly report

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

Name of entity

MOBY OIL & GAS LIMITED

ABN

17 106 653 794

Quarter ended ("current quarter")

31 MARCH 2013

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 joint venture participant		
1.2 Payments for (a) exploration and evaluation (b) development (c) production (d) administration	(41)	(117)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	-	59
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	(202)	(598)
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)	(202)	(598)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(202)	(598)
	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	(202)	(598)
1.20	Cash at beginning of quarter/year to date	2,538	2,934
1.21	Exchange rate adjustments to item 1.20		
1.22	Cash at end of quarter	2,336	2,336

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	115
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

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

+ 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	50
4.2 Development	
4.3 Production	
4.4 Administration	150
Total	200

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	116	168
5.2 Deposits at call	2,220	2,370
5.3 Bank overdraft	-	-
5.4 Other (provide details)		-
Total: cash at end of quarter (item 1.22)	2,336	2,538

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

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly 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 <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>				
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>				

+ See chapter 19 for defined terms.

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 5).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: Date: 24/04/2013
(Company Secretary)

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.
- 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 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.