


**QUARTERLY ACTIVITIES REPORT
THREE MONTHS to 30 JUNE 2015
UPDATED ANNOUNCEMENT**

Key activities undertaken by the company in the June 2015 quarter included:

- On 22 May 2015, Bandanna Energy Limited (Administrators Appointed) announced a 70% increase in Probable Reserves for the Springsure Creek Coal Project as a result of additional drilling undertaken during 2014. The latest reserve report shows an overall increase in Probable Reserves from 174Mt to 296Mt, and an increase in Probable Marketable reserves from 165Mt to 281Mt. The coal exhibits low in-situ ash (10.7%). A product yield of 95% is assumed. Consistent with Bandanna Energy's most recent Resource statement for the Project, the latest report has been undertaken under the new assessment process of the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Bandanna Energy Limited (Administrators Appointed) confirms that it is not aware of any new information or data that materially affects the information included in the market announcement made on 22 May 2015 and that all material assumptions and technical parameters underpinning the estimate of mineral resources and ore reserves continue to apply and have not materially changed.
- \$280,000 was advanced to the South Galilee Coal Project as requested under the Joint Venture agreement to protect the equity interest.
- Minimum expenditure commitments for the tenements were met in the quarter. No further exploration or development work has been carried out during the period.



Martin Ford
Administrator
23 September 2015

Table 1 – Summary of Mining Tenements

| Tenement | Applications | Project Name | Geological Setting | BND Interest |
|-----------------|---------------------|----------------------|---------------------------|---------------------|
| EPC 891 | | Springsure Creek | Bowen Basin, Queensland | 100% |
| | MLA 70486 | Springsure Creek | Bowen Basin, Queensland | 100% |
| | MLA 70501 | Springsure Creek | Bowen Basin, Queensland | 100% |
| | MLA 70502 | Springsure Creek | Bowen Basin, Queensland | 100% |
| EPC 881 | | Dingo West | Bowen Basin, Queensland | 100% |
| | MLA 80180 | Dingo West | Bowen Basin, Queensland | 100% |
| EPC 1048 | | South Galilee – Tah | Galilee Basin, Queensland | 50% |
| EPC 1049 | | South Galilee – Rua | Galilee Basin, Queensland | 50% |
| | MLA 70453 | South Galilee | Galilee Basin, Queensland | 50% |
| EPC 1179 | | South Galilee – Toru | Galilee Basin, Queensland | 50% |
| EPC 1180 | MLA 70453 | South Galilee – Wha | Galilee Basin, Queensland | 50% |
| EPC 1742 | | Arcadia | Bowen Basin, Queensland | 100% |
| EPC 1221 | | Arcturus | Bowen Basin, Queensland | 100% |
| EPC 1189 | | Carnarvon | Bowen Basin, Queensland | 100% |
| EPC 1195 | | Carnarvon South | Bowen Basin, Queensland | 100% |
| EPC 1140 | | Denison | Bowen Basin, Queensland | 100% |
| EPC 1103 | | Fernlee | Bowen Basin, Queensland | 100% |
| EPC 1185 | | Fernlee North | Bowen Basin, Queensland | 100% |
| EPC 1131 | | Gemini | Bowen Basin, Queensland | 100% |
| EPC 1197 | | Wanella | Bowen Basin, Queensland | 100% |

Figure 1 – Granted Coal Tenements (EPC) and Mining Lease Applications (MLA)

