

ASX Announcement – 31 July, 2018**Quarterly Activities Report for the Quarter Ended 30 June 2018**

Hawkley Oil & Gas Limited (“Hawkley” or “The Company”) provides the following report on its activities for the quarter ended 30 June 2018.

Business Development

Following completion of the sale of its Ukraine Oil & Gas assets in November 2016, the Company’s securities were suspended from trading on the ASX on 11 May 2017. The Company has been actively pursuing new Oil & Gas acquisition opportunities in more politically stable regions, with a focus on projects in North America and Australia.

The Company remains focused on completing an acquisition that will support recapitalisation of the Company and satisfy the ASX requirements for a resumption of share trading. The Company has identified certain assets that it believes would meet those criteria and is in advanced negotiations with the relevant parties and looks forward to providing further updates to the market in due course. Shareholders should be aware that there is no certainty of such discussions and negotiations leading to a transaction being concluded.

Converting Loan Agreement

Hawkley advised on 22 June 2018, that it had entered into an unsecured converting loan agreement with Emco Capital Pty Ltd (“Emco”), an entity associated with the Company’s chairman, Mr. David Lloyd.

The agreement provides for additional working capital of up to A\$300,000 to support the Company whilst it pursues a project acquisition, recapitalisation and recompliance with Chapters 1 and 2 of the ASX Listing Rules.

The principle terms of the agreement are:

- The initial drawdown of A\$200,000 was received 28 June 2018;
- Two further drawdowns of A\$50,000 each are available if required;
- Interest of 3% per annum calculated daily and applied upon settlement or conversion;

Directors**David Lloyd**

Non-Executive Chairman

Bill Foster

Non-Executive Director

Edmund Babington

Non-Executive Director

Share Information

ASX Code:	HOG
Shares on Issue:	456.2M
Options on Issue:	38.4M
Share Price*:	0.3¢
Market Cap*:	\$1.4M

*As at 11 May 2017 when shares were suspended from trading on ASX

- Subject to shareholder approval, Hawkley may elect to convert the initial drawdown amount of A\$200,000 into fully paid ordinary shares in Hawkley at a conversion price of 0.2 cents per share (subject to adjustment in the event of a reorganisation of capital);
- The loan is to be converted and/or repaid on or before 31 December 2018;
- The Company is to seek shareholder approval for conversion rights at the next general meeting of Hawkley shareholders.

For more information, please contact:

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Petroleum Tenements

The Company currently has no petroleum tenements following the disposal of its Ukraine assets in November 2016.

