



ASX RELEASE

18 March 2014

EXTENDED LOAN FACILITY FROM MAJOR SHAREHOLDERS

Moreton Resources Ltd (ASX: MRV) advises that it has extended its secured loan funding agreement with the Company's two largest shareholders, Mr Philip Feitelson and Mr Jason Elks (**Lenders**). Mr Elks is also a Director of the Company.

The Board has identified the need to continue this short-term interim funding agreement and is pleased to have extended this agreement without diluting current shareholders' investments in Moreton Resources.

The original funding, made available for draw down of A\$500,000 and structured as a secured loan maturing on 31 March 2014 with an interest rate of 10% p.a. on any drawdowns, to be provided by the Lenders in equal shares.

The loan was to be applied for general working capital purposes and is made up of two tranches.

However, due to significant reduction in operating expenses within the Company over the last 4 months, the Company as at today's date has only drawn down \$300,000, and due to this significant reduction in operating expenses through prudent management, the Major Shareholders have committed to extend the facility through to 30 June 2014.

Mr Arthur Hood, Chairman of Moreton Resources, said: *"This is a significant show of support in the Company by two major shareholders, for which the Board expresses its thanks. The fact that the Company has been able to reduce significantly its operating expenses and therefore, to date, only drawing tranche one of the original facility, was a major indication of the diligence displayed in a difficult market, which was a major reason for the agreed extension by the shareholders."*

This allows the R&D Refund application processing to be finalised and also allows the Company to continue to develop its strategy for 2014, which is expected to be released in April to the Market."

Arthur Hood
Chairman