

TRANSPOSITION ERROR ON JUNE 2011 APPENDIX 5B

The Directors of Maverick Drilling & Exploration Limited (ASX: MAD) wish to advise that there was a transposition error in section 1.22 of the June 2011 quarter Appendix 5B released 25 July 2011.

The current quarter column should have shown USD 8,359,000 but was disclosed as USD 8,539,000. The correct balance was shown in the year to date column and in section 5.

An updated version of the June 2011 quarter Appendix 5B is attached to this announcement.

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About Maverick Drilling & Exploration Limited (ASX: MAD)

Maverick is a diversified oil company with existing oil production and reserves focusing on low cost development of low risk drilling prospects. Maverick's flagship assets are leases and oil reserves that it holds over parts of the Blue Ridge Dome, an established producing oil field located south of Houston, Texas in the United States and its wholly owned subsidiary Maverick Drilling Company, a 37 year old contract drilling company based in Texas.

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.

Name of entity

MAVERICK DRILLING & EXPLORATION LIMITED

ABN

48 128 429 158

Quarter ended ("current quarter")

30 JUNE 2011

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter USD'ooo	Year to date (12 months) USD'ooo
1.1 Receipts from product sales and related debtors	3,934	9,762
1.2 Payments for (a) exploration & evaluation	(101)	(227)
(b) development	(2,967)	(8,204)
(c) production	(272)	(950)
(d) costs related to the provision of contract drilling services	(214)	(1,340)
(e) administration	(1,150)	(3,451)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	14	33
1.5 Interest and other costs of finance paid (note 7)	(5)	(1,998)
1.6 Income taxes paid	-	(192)
1.7 Other	-	-
Net Operating Cash Flows	(761)	(6,567)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	(132)	(470)
(b) equity investments	-	-
(c) other fixed assets	(803)	(2,820)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	(68)
1.11 Loans repaid by other entities	13	36
1.12 Other	-	-
Net investing cash flows	(922)	(3,322)
1.13 Total operating and investing cash flows (carried forward)	(1,683)	(9,889)

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1.13	Total operating and investing cash flows (brought forward)	(1,683)	(9,889)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	18,129
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	69	1,043
1.17	Repayment of borrowings	(82)	(371)
1.18	Dividends paid	-	-
1.19	Other – share issue costs	(66)	(1,298)
	Net financing cash flows	(79)	17,503
	Net increase (decrease) in cash held	(1,762)	7,614
1.20	Cash at beginning of quarter/year to date	10,121	745
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	8,359	8,359

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 USD'000
1.23	Aggregate amount of payments to the parties included in item 1.2	226
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

1.23 payment of salaries and fees to directors and related parties under approved agreements.

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

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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.

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	Amount available USD'000	Amount used USD'000
3.1 Loan facilities	5,000	650
3.2 Credit standby arrangements	Nil	Nil

Estimated cash outflows for next quarter

	USD'000
4.1 Exploration and evaluation	359
4.2 Development	2,465
4.3 Production	1,023
4.4 Costs related to the provision of contract drilling services	436
4.5 Administration	1,336
Total	5,619

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 USD'000	Previous quarter USD'000
5.1 Cash on hand and at bank	8,366	9,954
5.2 Deposits at call	31	167
5.3 Bank overdraft	(38)	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	8,359	10,121

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				

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6.2 Interests in mining tenements acquired or increased	Blue Ridge	Oil and gas leases. On and flanking Blue Ridge Dome Field. Working interests ranging from 90% to 100%.	1,739 net acres	1,743 net acres
	Boling Dome	Oil and gas leases. On and flanking the Boling Dome Field. Working interests ranging from 25% to 100%.	2,365 net acres	2,477 net acres
	Nash Dome	Oil and gas leases. On and flanking the Nash Dome Field. Working interest of 100%.	0 net acres	672 net acres

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) (AUD cents)	Amount paid up per security (see note 3) (AUD cents)
7.1 Preference securities <i>(description)</i>	None			
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	None			
7.3 *Ordinary securities	373,567,143	237,454,286		
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>				

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7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options <i>(description and conversion factor)</i>	None		<i>Exercise price</i>	<i>Expiry date</i>
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	Debentures <i>(totals only)</i>	None			
7.12	Unsecured notes <i>(totals only)</i>	None			

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 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:



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Company secretary

Date: 26 July 2011

Print name: ANDREW JAMES CRAWFORD

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.

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- 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 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting 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.
- 6 The ‘Payments for exploration and evaluation’ at item 1.2(a) and ‘Payments for development’ at item 1.2(b) are classified as ‘Cash flows related to operating activities’ for ASX Appendix 5B reporting purposes. For accounting purposes Maverick capitalises these costs as oil and gas assets and they are reported in the cash flow statement in the annual and interim reports as ‘Cash flows from investing activities’, classified as ‘Payments for exploration and evaluation assets’ and ‘Payments for oil and gas assets’.
- 7 Item 4 details Maverick’s estimated gross cash outflows for the coming quarter of USD 5,619,000. It must be noted that Maverick will generate income from oil sales and from the provision of contract drilling services that will partially fund these estimated gross cash outflows. Further to this, Maverick will be utilising the special purpose credit facility obtained from Texoz Holdings Pty Ltd. With this information in mind, the Directors believe that Maverick continues to be in compliance with Listing Rule 12.2.

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