



ABN 90 147 370 312

29 July 2016

30 JUNE 2016 QUARTERLY REPORT

Black Star Petroleum Limited ("BSP" or the "Company") is pleased to present the June 2016 quarterly report.

Future Direction

As previously announced on 18 April 2016, BSP has settled with STA Resources LLC ("STA") relating to the amount owing to STA. BSP has also relinquished one lease totalling approximately 730 acres under the settlement. Currently, BSP holds thirteen leases under the Nebraska Oil Project covering approximately 5,250 acres under its subsidiary, Constellation Resources LLC. The Board is currently undertaking a review of the Nebraska Oil Project as well as considering various recapitalisation strategies. No decision has been made yet.

Finance

During the quarter, BSP signed a 12 months A\$500,000 unsecured loan facility with Mr Chin Han Tan, a Sydney based investor. As at 30 June 2016, a total of \$100,000 had been drawn down.

James Sambrook
Chairman

Appendix 1 - Interest on Leases Held

Tenure Reference	Location	Interest at beginning of quarter	Interest at end of quarter	Acquired during the quarter	Disposed of during the quarter
Nebraska Oil Project: 13 leases totalling approximately 5,250 acres held in Constellation Resources LLC	Banner County, Nebraska	73.07%	73.07%	-	-
Nebraska Oil Project: 1 lease totalling approximately 730 acres under the STA Resources LLC agreement	Banner County, Nebraska	73.07%	-	-	73.07%

Appendix 2 – Summary of Expenditure Incurred Per Project

Project	\$'000
Nebraska Oil Project:	Nil
Total	Nil

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

BLACK STAR PETROLEUM LIMITED

ABN

90 147 370 312

Quarter ended ("current quarter")

30 June 2016

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (12 months) \$A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration and evaluation	-	(26)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(106)	(135)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	-	3
Net Operating Cash Flows		(106)	(158)
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 –	-	-
	Sale of shares held in	-	9
	Global Investments Trust		
	(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		-	9
1.13	Total operating and investing cash flows (carried forward)	(106)	(149)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(106)	(149)
	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	100	100
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	- Share issue costs	-	-
	Net financing cash flows	100	100
	Net increase (decrease) in cash held	(6)	(49)
1.20	Cash at beginning of quarter/year to date	18	61
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	12	12

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	\$49
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Payments for Directors consulting fees and salaries - \$40k
Payments for serviced office and corporate advisory fee - \$9k

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

Nil

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

Nil

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	500	100
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	-
4.2 Development	-
4.3 Production	-
4.4 Administration	65
Total	65*

* Estimated cash outflows for next quarter for higher than the closing cash balance as the Company still has available for drawdown \$400,000 under the loan facility as at 30 June 2016.

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	12	18
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	12	18

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	Nebraska Oil Project: 1 lease totalling approximately 730 acres under the STA Resources LLC agreement	Relinquished	73.07%	-

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

6.2 Interests in
mining tenements
acquired or
increased

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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)	Amount paid up per security (see note 3)
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	530,012,680	530,012,680		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through share consolidation				
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 Listed	95,333,326	95,333,326	<i>Exercise Price</i> \$0.20	<i>Expiry Date</i> 31/12/17
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

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: Ian Gregory..... Date: 29 July 2016
(Company Secretary)

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 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.

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