



14 November 2019

ASX ANNOUNCEMENT

By Electronic Lodgement

MORETON RESOURCES COMPANY UPDATE

Moreton Resources Ltd (**ASX:MRV**) (“the Company”) is pleased to update that significant work has been undertaken by the Company in recent weeks and can advise the market of the following recent outcomes.

Debt Restructure

The Company has been in negotiations with current and potential financiers and debt holders of the Company in an effort to restructure its major debt. This will allow the Company to focus upon finalisation of legal matters at hand, provide working capital for the Granite Belt Project and provision of capital to continue advancement of exploration projects.

Undue stress has been burdened on the Company due to ongoing legal delays, which has not only been a major distraction, but has also required significant capital. The company expects to finalise and release further details of these restructure activities before the AGM on 20th November 2019.

R&D Claim - AAT Matter

Following the successful Federal Court Appeal earlier in the year, and the directions hearing on the 18th October, the matter will now be heard on the 12th February 2020. This matter has been ongoing since early 2014 and the Company envisages positive finalisation of this matter in Quarter 1 2020.

Land Court - DES Matter

This matter commenced in 2017, with the formal process of dispute of the matters at hand starting around March 2018. Since that time there has been significant delays, failure by external parties to meet deadlines and adherence to Court appointed time lines.

The matter was heard in the Land Court on the 12th November, with proceedings adjourned, leading to further delays. The Company now expects the conclusion of this matter before the end of 2019.

Cost Reduction Strategies

As outlined to the market on the 9th September 2019, the Company continues to implement cost reduction strategies. The Board has maintained the view that the key priority is the utilisation of funds to ensure the finalisation of our pending legal issues. In line with this priority, the Company has taken the opportunity to temporarily scale back operations to review and improve some minor plant processes. It is expected that this will result in increased productivity at the site.

Pending favourable outcomes of legal issues, significant capital will be released which will enable further advancement of operations.

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