

Quarterly Report

Period ended 31 March 2016



ASX:BRU

The Directors of Buru Energy Limited (Buru Energy) are pleased to provide the report for the quarter ended 31 March 2016.

Highlights

- Completion of the Ungani Far West 1 oil well with a new formation oil discovery in the Anderson Formation and a new pool discovery in the Ungani Dolomite.
- Oil recovered from testing of Ungani North 1.
- Successful completion of the Laurel Formation Tight Gas Pilot Exploration Program with fracs and flowback of the Valhalla North 1 and Asgard 1 wells.
- Independent review of the Valhalla / Asgard tight gas resource by DeGolyer and MacNaughton with substantial Contingent Resources booked.
- Prospectivity review of the Ungani trend for future drilling targets underway.
- Imminent completion of the sale of the Yakka Munga Pastoral Station.

Production and Development

Ungani Oilfield

Production from the Ungani Oilfield which commenced in July 2015 continued until 28 January 2016 when production was suspended. The oil price had deteriorated from some US\$65 per barrel when production commenced to some US\$35 per barrel when the field was shut in due to unsustainable operating cashflow returns.

Suspension of the field operations has been relatively simple and low cost with core operating personnel retained to provide monitoring and maintenance and to assist with other field activities. During this suspension period the operating cost structure, including the export system, is being reviewed in detail to ensure production can be restarted at lowest cost as soon as practicable.

More than 600,000 bbls of oil have now been produced from the Ungani Oilfield since its discovery, and during the suspension period the field resource volume is also being reviewed using all of the data gathered during the

production period, including the results of the core analysis from the extensively cored interval of the Ungani Dolomite reservoir section in the nearby Ungani FW 1 well.

Blina and Sundown Oilfields

The Blina and Sundown Oilfields remained shut-in during the quarter. Maintenance and well inspections were continued together with further rehabilitation operations.

Exploration and Appraisal

Ungani Far West 1

The final well in the 2015 exploration program, Ungani Far West 1, was spudded in the previous quarter on 28 November 2015. The well is located on an all weather drilling pad approximately one kilometre off the Ungani access road within Ungani Production License L21, 97 kms east of Broome and 3.3 kms southwest of Buru Energy's Ungani Oilfield. Buru Energy has a 50% equity interest in the well and did not contribute to the cost of the well as it was drilled under the terms of the Ungani Development Funding agreement with Diamond Resources (Fitzroy) Pty Ltd.

Atlas Rig 2 was utilised to drill to the top of the interpreted Ungani Dolomite reservoir at 2,328 metres drill depth. Wireline logs over the drilled interval identified a five meter sandstone interval at the top of the Anderson Formation at a depth of some 1,560 meters which appeared to be oil bearing. Wireline logs and pressure data indicated the section was oil saturated with good permeability (~450md), and an oil sample was recovered during the logging program. Oil was subsequently recovered at surface from the well bore from this zone. Interpretation of pressure data indicates a potential oil column of at least 14 meters of which some five meters is net pay.

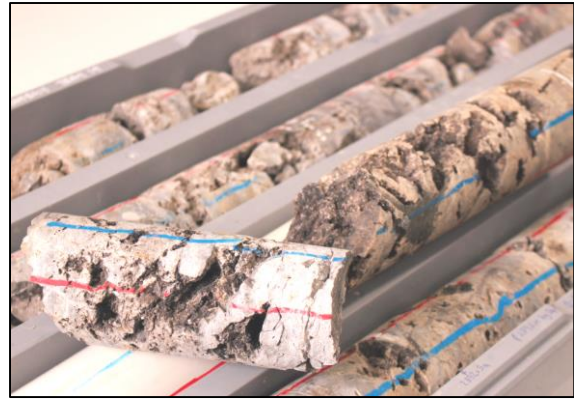
This was a very encouraging result with this zone representing a new play type for the Ungani area, and a number of additional prospects have been identified at this level on the existing 3D seismic.

At the conclusion of the logging and testing operations 5" (127mm) casing was run and cemented to 2,327 metres. Atlas Rig 2 was then rigged down and released in early January. During the final phase of the drilling program Buru Energy was notified by the operators of the drilling rig that the drilling company had appointed administrators. The drilling company subsequently went into liquidation and the drilling rig remains stacked on the Ungani FW location whilst buyers are sought.

After the release of the Atlas rig, specialist coring rig DDH1 Rig 31 was rigged up over the well and conducted coring operations through the Ungani Dolomite reservoir section. The top of the Ungani Dolomite was encountered at 2,341 metres and cores recovered from this point displayed well developed vugular porosity with strong mud gas shows and oil bleeding from cores. The well was then successfully cored to 2,400 metres with 75 metres of core cut with 93% recovery. The small amount of lost core is interpreted to represent zones of high dolomitic vugular porosity which are not able to be effectively cored. It is also apparent that the core is much more dolomitised than wireline logs would suggest. The core recovery has proven extremely valuable for regional interpretation and quantification of the Ungani reserves.



*Ungani FW1
Anderson oil
sample*



Well developed vugular porosity in the Ungani Dolomite in the Ungani Far West 1 well

At the completion of the coring program wireline logs were acquired. The uppermost 15 metres of the reservoir zone were interpreted from logs to be oil saturated with significant vugular development, and had oil bleeding from cores over this interval. The well was then completed to the total depth of 2,400 metres with 2-7/8" tubing and a testing program undertaken.

The well was configured to allow testing of three zones, the uppermost zone with the interpreted highest potential for oil flows, a middle zone which had calculated oil saturations from wireline logs, and a lower zone which had well developed vugular porosity in cores but ambiguous calculated oil saturations.

The test over the upper zone commenced with the well swabbed to establish flow and immediate fluid influx indicating very good permeability. The well flowed at rates of up to 1,680 barrels of fluid per day with 50% to 70% of high quality 41.6 degree API oil. Preliminary interpretation of the test information from the upper zone to date indicates a minimum oil column of some 15 metres with very high productivity, estimated to be over twice that seen in the Ungani wells. Downhole oil samples have also been obtained to allow detailed analysis of oil and gas composition and production characteristics.

Interpretation of the test of the lower zone indicated it is water bearing, with a subsequent injection test demonstrating extremely high permeability. The middle zone was opened to flow with no influx observed. The pressure data obtained after the zone was opened suggested it was water bearing and this was subsequently confirmed by a swab test.

At the conclusion of the testing and data gathering phases the produced fluids were reinjected into the formations they were produced from and the well was suspended.

Ungani North 1

During the quarter, the joint venture also undertook a further test of the Ungani North 1 well involving a re-perforation of the interpreted oil zone. The Ungani North 1 well was drilled in late 2012 and was interpreted to contain a significant oil column in the Ungani Dolomite section. However, on the initial test, the reservoir was interpreted to be of poorer quality than the Ungani Oilfield and testing operations recovered only interpreted drilling fluid that had been lost to the formation.

Initial results from the latest testing operation have seen the influx of oil with a field measured gravity of 41.5 deg API. This is a very encouraging result as oil had not previously been recovered from the well. Analysis of the current data is ongoing prior to a decision on further operations at the well.



Ungani North 1 oil sample

Laurel Formation Tight Gas Pilot Exploration Program (TGS15)

Flowback and Testing Program

During the quarter, the Valhalla North 1 and Asgard 1 wells continued their strong production performance constantly unloading stimulation fluid and flowing hydrocarbons.

A limited number of production tests of separate zones was undertaken, and these tests together with the early results of fluid and tracer monitoring have allowed the flow characteristics of individual zones to be monitored. Although stabilised flow rates were not able to be obtained due to continued fluid recovery, individual zones flowed at unstabilised rates through the flare estimated to be from 0.5mmcf/d to over 2.0mmcf/d. Definitive data on liquids content has not been obtained to date, however, the rates at Valhalla North 1 are estimated to be similar to those seen in the first flowback period of some 35 to 40 barrels of liquids per million cubic feet of gas.

Due to the encroaching wet season, it was decided to suspend the testing operations in January with total fluid recovery from the Valhalla North 1 and Asgard 1 wells of 73% and 35% respectively of the injected fluids at the time the wells were suspended.



Valhalla North cleanup flow (8 January 2016)

Independent Resource Estimate

Subsequent to the successful completion of the 2015 tight gas stimulation (frac) program at the Valhalla North 1 and Asgard 1 wells, DeGolyer and MacNaughton (D&M), a specialist North American tight gas and unconventional resource assessment consulting group (www.demac.com), were commissioned to undertake an independent assessment of the gas and liquids resources of the Laurel Formation in the Valhalla area.

This independent assessment has confirmed Buru Energy's view that the Valhalla area contains a nationally significant multi TCF wet gas accumulation.

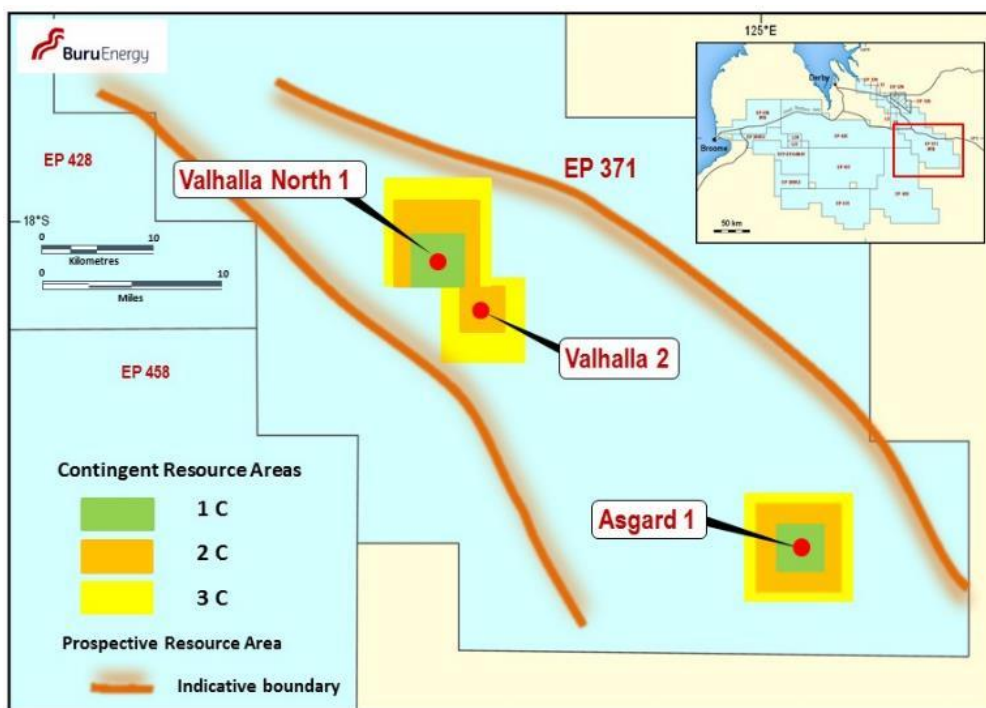
The assessment was carried out using the results of the recent TGS fracture stimulation program and was focused on the evaluation of the Contingent Resources and Prospective Resources around the two stimulated wells. Defining initial Contingent Resources is a very important step forward in the route to commercialisation of the tight gas resources of the Canning Basin. There is a well-defined pathway of increasing certainty from Prospective Resources to Contingent Resources to Petroleum Reserves, and this independent review is a significant step forward in that process. The Contingent Resources defined by D&M are located close to and surrounding the two stimulated wells as shown in the following map. The Prospective Resources lie on the previously identified Laurel fairway along the EP 371 permit area.

Complete details of these resources in accordance with ASX Listing Rules were set out in the Buru Energy ASX release of 18th April 2016 titled “Laurel Formation Tight Gas Independent Resources Review for Permit EP 371” and this should be referred to for full details, definitions and qualifications.

Resource Summary:

(Buru Energy has a 50% equity share of the following gross resources)

- D&M are of the opinion that the Valhalla accumulation immediately surrounding the Valhalla North and Asgard wells, contains a gross 2C unrisked contingent recoverable volume of 1.53 TCF of gas and 32 million barrels of hydrocarbon liquids (condensate and LPG), noting that this estimate includes both wet gas and dry gas zones combined. Full details of the range of resources estimated by D&M are set out in the table below.
- D&M are of the opinion that the unrisked mean recoverable Prospective Resource in the Valhalla accumulation on EP 371 is 13.02 TCF of gas and 232 million barrels of hydrocarbon liquids.
- The resources estimated by D&M are consistent with Buru Energy’s and previous independent reviewers previously announced estimates of the potential recoverable volumes from the Valhalla area, but now importantly include an estimate of Contingent Resources.
- Buru Energy is of the view that a work program including an additional well and flow tests has the potential to extend the Contingent Resources between the wells and add up to an additional 3 TCF of Contingent Resources, depending on the outcome of further drilling and well testing.



Map of EP371 showing Contingent and Prospective Resource areas

Resource Details

Contingent Resources

D&M's estimate of the range of the gross estimated recoverable volumes of Contingent Resources for the Valhalla accumulation on EP 371 are provided below. Buru Energy has a 50% equity share of these resources:

Product	Unrisked		
	1C (MMbbl/BCF)	2C (MMbbl/BCF)	3C (MMbbl/BCF)
Condensate	9	32	66
Natural Gas	455	1,533	2,981
Total BOE	85	288	563

- i. Evaluation date 31 March 2016. Probabilistic method used to prepare the estimates of contingent resources.
- ii. Qualified petroleum reserves and resources evaluator requirements are detailed in Buru Energy's ASX release of 18 April 2016. Buru Energy is not aware of any new information or data that materially affects the information included in that ASX release and all material assumptions and technical parameters underpinning the estimates in that release continue to apply and have not materially changed.
- iii. BOE refers to Barrels of Oil Equivalent – gas quantities are converted to BOE using 6,000 cubic feet of gas per barrel. Quoted estimates are rounded to the nearest whole BOE.
- iv. The estimates of contingent resources are the statistical aggregates of unconventional resources.
- v. Application of any risk factor to contingent resources quantities does not equate contingent resources with reserves.
- vi. There is no certainty that it will be commercially viable to produce any portion of the resources evaluated.
- vii. Contingent resources in this report have an economic status of Undetermined, since the evaluations of those contingent resources are at a stage such that it is premature to clearly define the ultimate chance of commerciality.

Prospective Resources

D&M's estimate of the range of the gross estimated recoverable volumes of Prospective Resources for the Valhalla accumulation is provided below.

Product	Unrisked				Risked
	Low Case (MMbbl/BCF)	Best (MMbbl/BCF)	Mean (MMbbl/BCF)	High (MMbbl/BCF)	Mean (MMbbl/BCF)
Condensate	79	191	232	445	83
Natural Gas	5,607	11,482	13,024	22,368	5,234
Total BOE	1,014	2,105	2,403	4,173	956

- i. Evaluation date 31 March 2016. Probabilistic method used to prepare the estimates of prospective resources.
- ii. Qualified petroleum reserves and resources evaluator requirements are detailed in Buru Energy's ASX release of 18 April 2016. Buru Energy is not aware of any new information or data that materially affects the information included in that ASX release and all material assumptions and technical parameters underpinning the estimates in that release continue to apply and have not materially changed.
- iii. The low, best, high and mean case estimates in this table are P90, P50, P10 and mean respectively.
- iv. Pg (chance of geological success) has not been applied to the unrisked volume estimates in this table.
- v. BOE refers to Barrels of Oil Equivalent – gas quantities are converted to BOE using 6,000 cubic feet of gas per barrel. Quoted estimates are rounded to the nearest whole BOE.
- vi. The mean is the average of the probabilistic resource distribution.
- vii. The unconventional prospective resources are based on the statistical aggregation method.

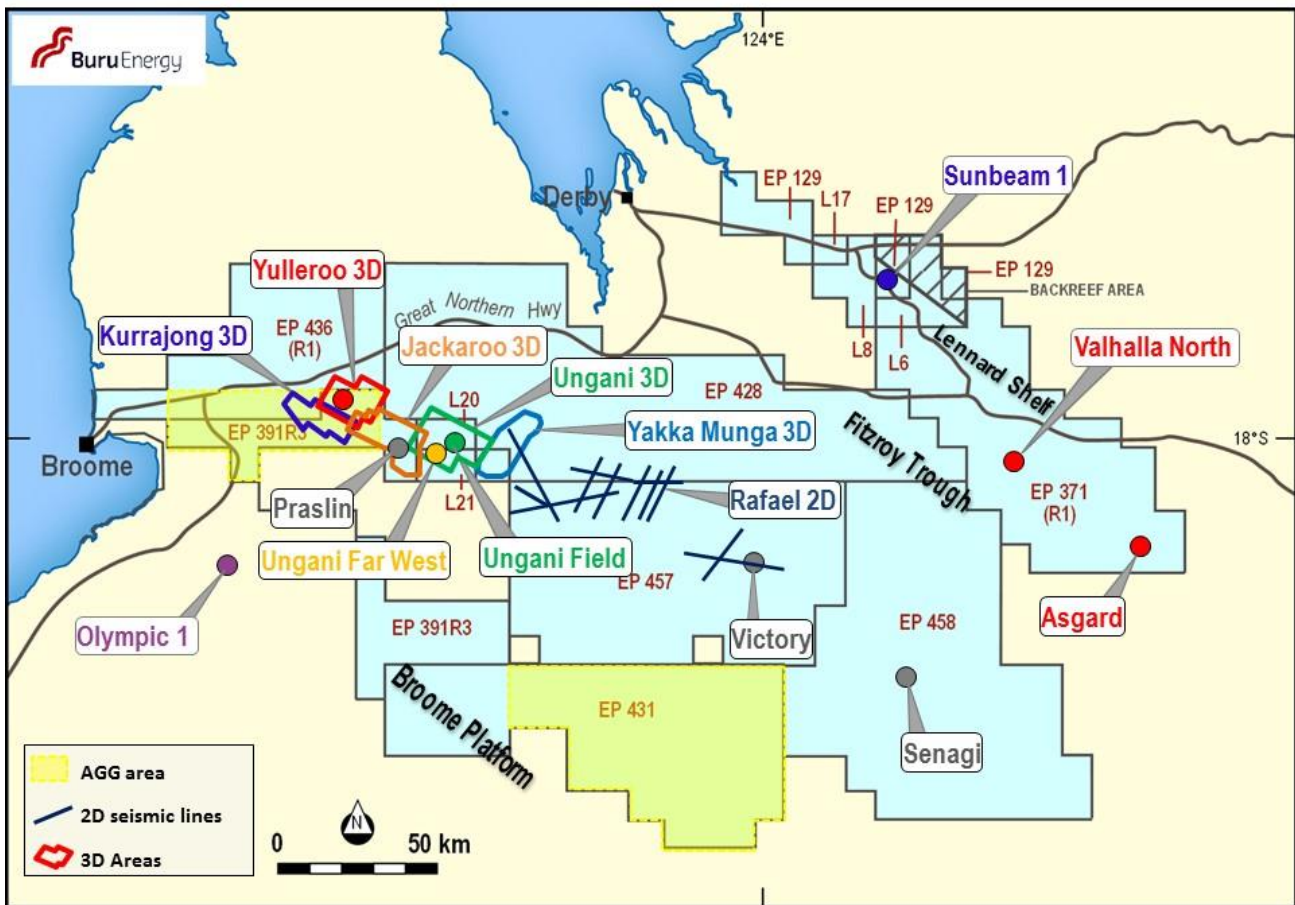
To convert the identified Contingent Resources and Prospective Resources to Petroleum Reserves will require additional data to be acquired, and drilling to be carried out, including vertical and horizontal wells, together with extended production tests. There is extensive production from tight gas reservoirs internationally and there is a well understood and systematic process that can be undertaken to progress the resources to commercial production.

Exploration forward plan

During 2015, the Company drilled six wells and acquired two 3D seismic surveys, Yakka Munga of 202 sq kms and Kurrajong of 196 sq kms, together with some 163 kms of 2D surveys. Processing of the 3D surveys was substantially completed during the quarter and the 3D volumes were received in early April. As part of this processing program the previous 3D surveys in the Ungani area were integrated with the new surveys to provide a coherent data set covering some 1,050 sq kms.

The wells also provided a large amount of data including information that will be very relevant to future exploration drilling. Of particular interest was the new play type identified by the recovery of oil from the Anderson Formation in Ungani FW 1 and the high quality high gravity (~41 deg API) oil recovered from the Ungani Dolomite reservoir in Ungani Dolomite in Ungani FW and Ungani North. The core of the Ungani Dolomite from Ungani FW also requires very detailed analysis which is currently in process.

The data generated by the fracs on the Valhalla North and Asgard wells is also being assessed. This is a very large body of data which requires specialist interpretation and input to fully assess. All of this data needs to be fully assessed and integrated prior to further drilling activity. The joint venture has agreed on a formal work plan and budget for this activity with completion targeted for mid-year. The forward exploration program will be assessed at that time.

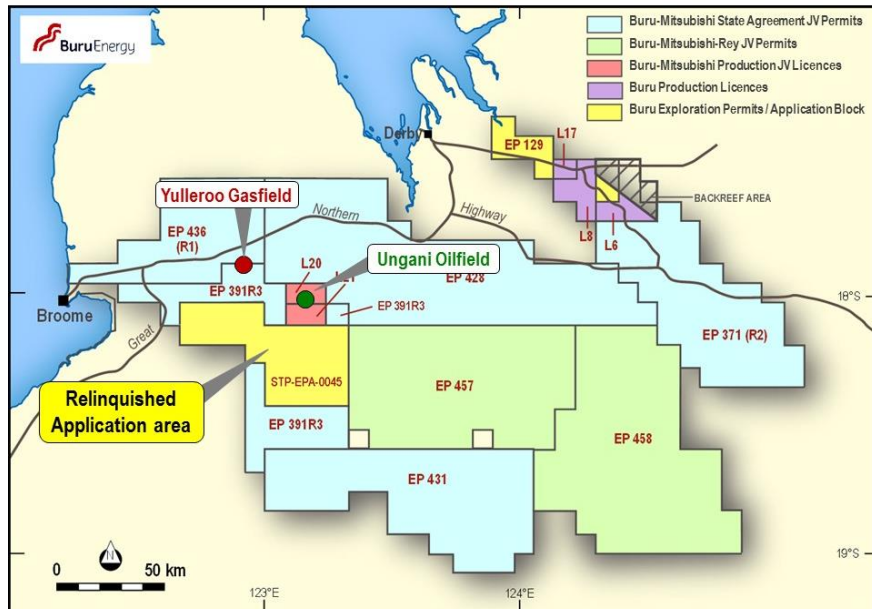


Location of 2015 exploration activities

Corporate

Given the continued difficult economic environment and weakness in commodity prices, the Company has continued to focus on cost control and cash outflows and this ongoing process, unfortunately, has led to further staff reductions.

It also means a very strong focus on those activities that have the potential to add the most value at lowest cost. This has included the further rationalisation of the Company's acreage position with its relinquishment of application area STP-EPA-0045 after the end of the quarter.



Location of relinquished application area

The Company's general and administrative costs have continued to be materially reduced and the Company's staffing levels are now considered to be at the minimum level required to maintain its operating capability and the effective management of its large and complex portfolio in a safe and environmentally appropriate way.

The Company's Annual Report and Financial Statements were lodged with ASX on 21 March 2016 and the Notice of Meeting for the Company's Annual General Meeting (AGM) was lodged with ASX on 29 March 2016. These documents are available on the Company's website.

The Company's AGM will be held on 28 April 2016 commencing at 10:30 am at Level 2, QV1, 250 St Georges Terrace, Perth.

Yakka Munga Pastoral Station

During the quarter, Buru Energy's wholly owned subsidiary entered into an agreement to sell the Yakka Munga Pastoral Lease to Shanghai Zenith (Australia) Investment Holding Pty Ltd for a sum of \$8.75m. The agreement was subject to various conditions including government approvals, due diligence, and a condition that the parties enter into an agreement regarding Buru Energy's ongoing access to the pastoral lease area for petroleum activities. The majority of these conditions have now been met and the transaction is expected to be completed before 30 June 2016. Buru Energy acquired the Yakka Munga Pastoral Lease in January 2015 for \$7.0 million.

Financial

The ASX Appendix 5B attached to this report contains the Company's cash flow statement for the quarter ended 31 March 2016. The material elements of the cash flows during the period were as follows, noting that the stated numbers include the timing effects of cash outflows and represents Buru Energy's share:

- Exploration cash outflows of \$1.6m for the quarter (December 2015: \$13.9m), comprised primarily of residual costs of the 2015 exploration campaign, which were primarily costs associated with the Laurel Formation Tight Gas Pilot Exploration Program (TGS15).
- Ungani development expenditure of \$0.1m for the quarter (December 2015: \$0.1m).
- Ungani production operating expenditure of \$1.0m for the quarter (December 2015: \$1.3m) which included suspension costs and was offset by crude sale receipts of \$0.8m during the quarter (December 2015: \$1.3m).
- Corporate and administration costs of \$1.3m for the quarter (December 2015: \$1.2m) which included some additional redundancy payments, reflecting the effects of continuous cost management measures in reducing the overheads in the business.

The Company recorded a net cash outflow of \$3.0m for the quarter (December 2015 net cash outflow \$15.3m) and at the end of the quarter had cash reserves of \$30.8m.

The Company is forecasting the following cash outflows in the June 2016 quarter:

- **Exploration:** \$8.7m – The exploration cash outflows are primarily further residual costs incurred during the 2015 exploration campaign including the TGS15. 2016 exploration expenditures include Ungani oil trend evaluation, the ongoing technical TGS evaluation and ongoing desktop geological and geophysical work.
- **Development:** \$0.1m.
- **Production:** \$0.2m.
- **Corporate and administration** - \$1.3m is estimated to be payable in the June 2016 quarter, consistent with previous periods.
- **Yakka Munga Pastoral Station** – Cash inflow estimated at \$8.75 million following settlement of the sale transaction.

The Company's cash position is being carefully monitored to ensure it can meet its commitments when they fall due.

Visit www.buruenergy.com for information on Buru Energy's current and future activities.

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About Buru Energy

Buru Energy Limited (ASX: BRU) is a Western Australian oil and gas exploration and production company headquartered in Perth with an operational office in Broome. The Company's petroleum assets and tenements are located onshore in the Canning Basin in the southwest Kimberley region of Western Australia. Its flagship high quality conventional Ungani oilfield project is owned in 50/50 joint venture with Diamond Resources (Fitzroy) Pty Ltd. As well as Ungani, the Company's portfolio includes potentially world class tight gas resources.

The company's goal is to deliver material benefits to its shareholders, the State of Western Australia, the Traditional Owners of the areas in which it operates, and the Kimberley community, by successfully exploring for and developing the petroleum resources of the Canning Basin in an environmentally and culturally sensitive manner.

Competent Persons Statement

Information in this release related to exploration and production results and petroleum resources is based on information compiled by Eric Streitberg who is the Executive Chairman of Buru Energy Limited. Mr Streitberg is a Fellow of the Australian Institute of Mining and Metallurgy and the Australian Institute of Company Directors, and a member and Certified Petroleum Geologist of the American Association of Petroleum Geologists. He has over 38 years of relevant experience. Mr Streitberg consents to the inclusion of the information in this report.

Schedule of interests in permits as at 31 March 2016

PERMIT	TYPE	OWNERSHIP	OPERATOR	LOCATION
L6	Production licence	100.00%	Buru Energy Ltd	Canning Basin, WA
L8	Production licence	100.00%	Buru Energy Ltd	Canning Basin, WA
L17	Production licence	100.00%	Buru Energy Ltd	Canning Basin, WA
L20	Production licence	50.00%	Buru Energy Ltd	Canning Basin, WA
L21	Production licence	50.00%	Buru Energy Ltd	Canning Basin, WA
EP129	Exploration permit	100.00%	Buru Energy Ltd	Canning Basin, WA
EP371	Exploration permit	50.00%	Buru Energy Ltd	Canning Basin, WA
EP391	Exploration permit	50.00%	Buru Energy Ltd	Canning Basin, WA
EP428	Exploration permit	50.00%	Buru Energy Ltd	Canning Basin, WA
EP431	Exploration permit	50.00%	Buru Energy Ltd	Canning Basin, WA
EP436	Exploration permit	50.00%	Buru Energy Ltd	Canning Basin, WA
EP438*	Exploration permit	50.00%	Buru Energy Ltd	Canning Basin, WA
EP457	Exploration permit	37.50%	Buru Fitzroy Pty Ltd	Canning Basin, WA
EP458	Exploration permit	37.50%	Buru Fitzroy Pty Ltd	Canning Basin, WA
EP471*	Exploration permit	50.00%	Buru Energy Ltd	Canning Basin, WA
EP472*	Exploration permit	50.00%	Buru Energy Ltd	Canning Basin, WA
EP473*	Exploration permit	50.00%	Buru Energy Ltd	Canning Basin, WA
EP476*	Exploration permit	50.00%	Buru Energy Ltd	Canning Basin, WA
EP477*	Exploration permit	50.00%	Buru Energy (Acacia) Pty Ltd	Canning Basin, WA
EP478*	Exploration permit	50.00%	Buru Energy (Acacia) Pty Ltd	Canning Basin, WA
PL7	Onshore pipeline licence	100.00%	Buru Energy Ltd	Canning Basin, WA

* Application has been made to the DMP for the relinquishment of these permits

Glossary

2D	Two Dimensional
3D	Three Dimensional
bbls	Barrels of oil
bopd	Barrels of oil per day
Buru Energy or the Company	Buru Energy Limited (ASX code: BRU)
DMP	Western Australian Department of Mines and Petroleum
TGS	Laurel Formation Tight Gas Pilot Exploration Program
Mitsubishi or MC	Mitsubishi Corporation

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 1/6/10, 17/12/10, 1/5/13

Name of entity BURU ENERGY LIMITED	
ABN 71 130 651 437	Quarter ended ("current quarter") 31 March 2016

Consolidated statement of cash flows

	Current quarter \$A ('000)	Year to date (12 months) \$A ('000)
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors	791	791
1.2 Payments for (a) exploration & evaluation	(1,589)	(1,589)
(b) development	(187)	(187)
(c) production	(986)	(986)
(d) administration	(1,269)	(1,269)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	267	267
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other – pastoral station activities	(64)	(64)
Net operating cash flows	(3,037)	(3,037)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) fixed assets	-	-
(b) pastoral station	-	-
1.9 Proceeds from sale of:		
(a) fixed assets	-	-
1.10 Part repayment of Alcoa gas prepayment	-	-
Net investing cash flows	-	-
1.11 Total operating and investing cash flows (carried forward)	(3,037)	(3,037)

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

1.12	Total operating and investing cash flows (brought forward)	(3,037)	(3,037)
Cash flows related to financing activities			
1.13	Proceeds from issues of shares, options, etc.	-	-
1.14	Proceeds from sale of forfeited shares	-	-
1.15	Proceeds from borrowings	-	-
1.16	Repayment of loan	-	-
1.17	Dividends paid	-	-
1.18	Loan pursuant to the employee share acquisition scheme	-	-
Net financing cash flows		-	-
Net increase (decrease) in cash held		(3,037)	(3,037)
1.19	Cash at beginning of quarter/year to date	33,896	33,896
1.20	Exchange rate adjustments to item 1.20	(57)	(57)
Cash at end of quarter		30,802	30,802

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
1.23	Aggregate amount of payments to the parties included in item 1.2	231,592
1.24	Aggregate amount of loans to the parties included in item 1.10	-
1.25	Explanation necessary for an understanding of the transactions	
N/A		

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
<p>Buru Energy and Alcoa of Australia Limited agreed to terminate their Gas Sales Agreement (GSA) during 2015 and to a staged repayment of the gas prepayment funding. Under the revised agreement, the remaining repayments of the gas prepayment are under the following terms:</p> <ul style="list-style-type: none"> - \$12,500,000 to be paid on 30 June 2017; and - \$12,500,000 to be paid on 30 June 2018, subject to financial criteria being met from 31 December 2017. 	
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
N/A	

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A	Amount used \$A
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A ('000)
4.1 Exploration and evaluation	(8,700)
4.2 Development	(100)
4.3 Production (care and maintenance)	(200)
4.4 Administration	(1,300)
4.5 Sale of Yakka Munga Pastoral Lease (cash inflow)	8,750
Total	(1,550)

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	7,762	5,026
5.2 Deposits at call	23,040	28,870
5.3 Bank overdraft	-	-
Total: cash at end of quarter	30,802	33,896

Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	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	EP 390	Lapsed 31 January 2016 Note: Application to surrender the following permits were lodged with the DMP on 21 December 2015: EP 438, EP 471, EP 472, EP 473, EP 476, EP 477, EP 478	50%	Nil
6.2 Interests in mining tenements acquired or increased		No change in interest		

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

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 (description)	N/A	N/A	N/A	N/A
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	- -	- -	- -	- -
7.3 +Ordinary securities	339,997,078	339,997,078	N/A	N/A
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	- -	- -	- -	- -
7.5 +Convertible debt securities (description)	N/A	N/A	N/A	N/A
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	- -	- -	- -	- -
7.7 Options (description and conversion factor)	4,500,000 4,450,000 <u>8,950,000</u>	-	Exercise price \$1.12 \$0.80	Expiry date 31 Dec 2016 31 Dec 2017
7.8 Issued during quarter	-	-	-	-
7.9 Exercised during quarter	-	-	-	-
7.10 Expired during quarter	750,000 600,000 <u>1,350,000</u>	-	Exercise price \$1.12 \$0.80	Expiry date 31 Dec 2016 31 Dec 2017
7.11 Debentures (totals only)	N/A	N/A		
7.12 Unsecured notes (totals only)	N/A	N/A		

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 5).
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:



..... Date: 27 April 2016

Shane McDermott
General Manager Finance and 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 and petroleum 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 or petroleum 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 are not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* applies to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting 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.