

# Quarterly Report

Period ended 30 September 2017



The Directors of Buru Energy Limited (Buru Energy) are pleased to provide the report for the quarter ended 30 September 2017.

## Highlights

### Ungani Oilfield production and development:

- Oil production during the quarter of 88,919 bbls
- Oil sales during the quarter of 60,275 bbls at a realised price of ~AUD\$62/bbl
- Workover operations completed on Ungani 1ST1 and Ungani 2 with installation of ESPs
- Ungani 4 spudded on 19 October with Ungani 5 to follow
- Ungani Phase 2 surface upgrades to be completed in November

### Balance sheet strengthened:

- Successful Rights Issue raised \$13.8m (before costs) from existing shareholders to fund the development of the Ungani Oilfield
- \$5.0m repaid to Alcoa on 14 July 2017 and the remaining \$7.5m repayment obligation rescheduled with instalments to commence at the end of 2018 calendar year

## Production and Development

### Ungani Oilfield

#### Field performance

Buru Energy recommenced production from the Ungani 1ST1 and Ungani 2 production wells at the end of the previous quarter. Initial production from the field included a series of rate and interference tests to quantify reservoir properties prior to full scale production, and to provide base line production data prior to the installation of the downhole pumps. On 28 September, both wells were shut-in to allow the DDGT1 rig to commence workover operations. Notwithstanding the interruptions to production, the Ungani Oilfield produced 88,919 bbls during the period.

The crude production was trucked to Wyndham to storage Tank 10 and 60,275 bbls were lifted from the tank by the MT Marlin Ametrine on 3 September without incident. The crude is sold "FOB at the Wyndham Port" which means that the buyer, Trafigura, is responsible for all shipping related charges to the relevant refinery. The realised Wyndham FOB price for the cargo after month end oil price adjustments was AUD\$3.72m or ~AUD\$62/bbl (USD\$2.96m or ~USD\$49/bbl).

The next lifting is expected to be towards the end of November 2017 when Trafigura has ship availability.



*Truck unloading at Wyndham*



*Ship loading at Wyndham*

### **Ungani development activity**

Development of the Ungani Oilfield is being undertaken in three phases. The phase 1 development included upgrading the tank at Wyndham, recommissioning the facilities at Ungani and restarting production of crude oil. Phase 1 was completed in the previous quarter on time and within budget.

Phase 2 commenced during the quarter and included the installation of electric submersible pumps (ESPs) in the Ungani 1ST1 and 2 wells, and associated surface power and control systems. This installation was completed and the pumps successfully commissioned after the end of the quarter. Phase 2 also includes the installation of two additional 1,250 bbl oil storage tanks and a 600 bbl oil / water segregation tank. Phase 2 is expected to be completed by the end of November 2017. On completion, the Ungani Production Facility storage capacity will have been increased from 2,400 bbls of oil to 4,900 bbls of oil. The 600 bbl horizontal segregation tank has been sized to allow a fluid processing capability of up to 8,000 bbls of fluid per day at up to a 90% water cut. The power generation facilities will allow for the ESPs to each operate efficiently and up to their maximum deliverability of 4,500 bfpd. This upgrade will form the basis of a step change in the production processing capability at Ungani.

Planning has also commenced for the phase 3 development upgrades in 2018 including the tie-ins of the Ungani 4 and Ungani 5 wells.

## Ungani Well Operations

During the quarter, the DDGT1 rig underwent pre-drill maintenance and preparation at its previously stacked location near Onslow before being mobilised to Ungani.



*DDGT1 rig on the Ungani 1ST1 well site*

Workover operations on Ungani 1ST1 commenced on 3 October and were completed on 8 October and workover operations on Ungani 2 commenced on 9 October and were completed on 16 October. Both workover operations were successfully completed on time and on budget and included the recovery of the existing completion string and then re-completion of each well with an ESP set at 1,534 metres on an 89mm (3-1/2 inch) tubing string. Following completion of these operations, the rig was demobilised to the Ungani 4 well location and the two wells were brought back on production as part of a commissioning period of the new ESP production system.

## Ungani 4

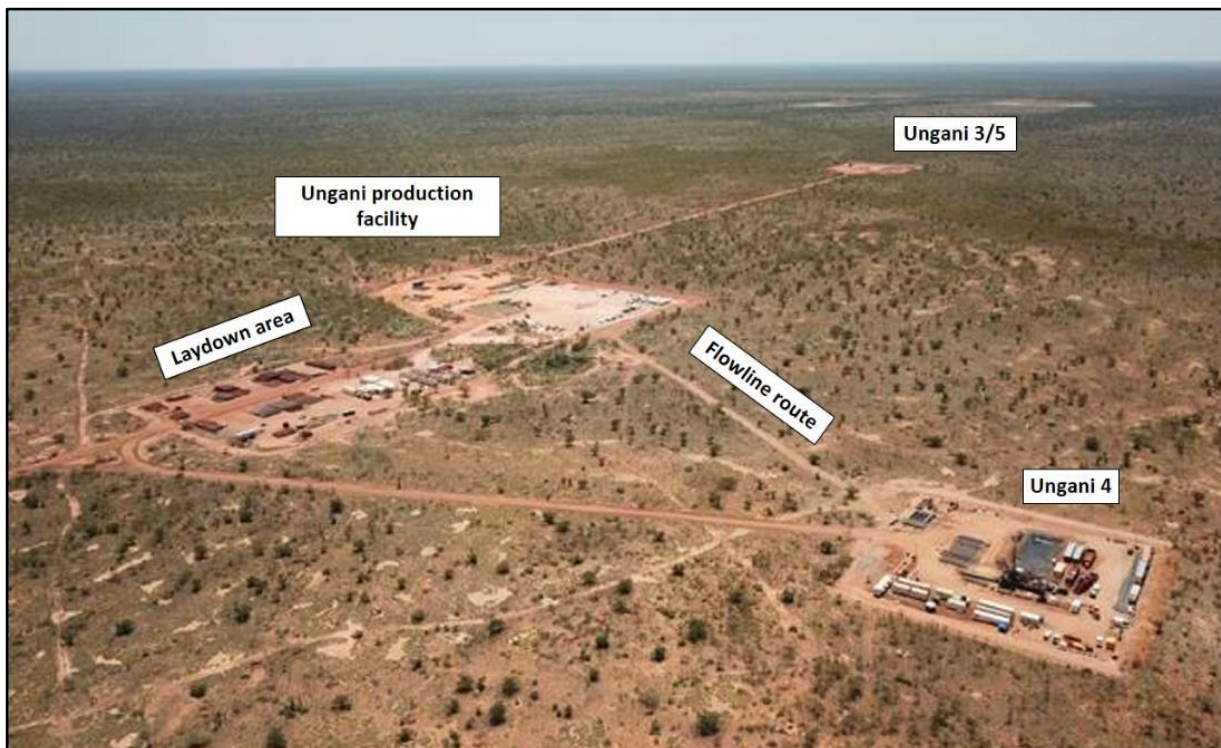
The DDGT1 rig commenced drilling operations of the Ungani 4 development well on 19 October. The well is being drilled to a prognosed total depth of approximately 2,200 metres and is expected to take 34 days to drill and complete. The well is located some 500 metres to the southwest of Ungani 1 on a separate drilling pad and is designed to provide an additional drainage point in the Ungani Oilfield and to verify reservoir continuity. If the well is successful, it provides a pathway to the target production rate from the field of 3,000 bopd, and will also assist in the conversion of the current Ungani Oilfield resources into reserves.

The current estimate for the drilled and completed cost of the Ungani 4 well is A\$4.7 million. The well is planned to be drilled to just above the Ungani Dolomite reservoir where 7 inch

(178 mm) casing will be set. The well will then be drilled into the reservoir in 6 inch (152mm) hole and completed "barefoot" to ensure the reservoir is not exposed to cement from casing cementing operations. The well will be completed in a similar manner to Ungani Far West 1 with a series of swell packers and sliding sleeves to allow testing of individual zones. As the packers require some swell time to effectively isolate the zones, the well will not be tested for some 10 days after the completion is set.



*DDGT1 rig at Ungani 4*



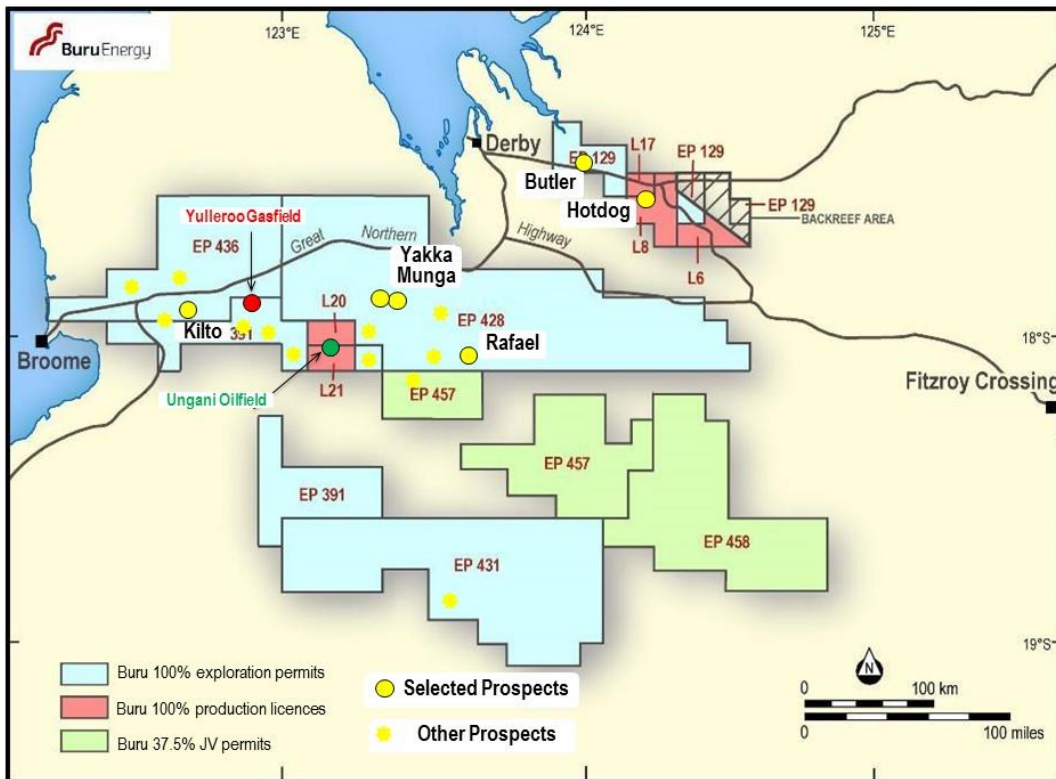
*Ungani operations area*

## Blina and Sundown Oilfields

The Blina and Sundown Oilfields remained shut-in during the quarter with maintenance and well inspections continuing.

## Exploration

The Company's exploration portfolio was enhanced by its assumption of 100% of the Ungani trend permits and associated prospects in the previous quarter. The Company is currently discussing a portfolio of drilling opportunities with prospective farmin parties for the planned 2018 drilling program. The prospects include a range of play types from the proven Ungani Dolomite and Reeves discovery to new high potential concepts for both oil and gas.



Map of selected exploration prospects

## Yulleroo Gasfield review

Subsequent to the transaction with Mitsubishi in the previous quarter, Buru Energy has a 100% interest of the Yulleroo Gasfield and the gas resources in the other areas of the basin outside EP 371. The Company has commissioned RISC Advisory to provide an update of their 2011 review of the resources of the Yulleroo Gasfield. A review of possible ways forward for the appraisal of this resource is ongoing in the context of the Western Australian Governments current inquiry into hydraulic fracturing as set out later in this report.

## Corporate

### **Rights Issue to Fund Accelerated Development of Ungani Oilfield**

On 31 July 2017, Buru announced a 1 for 5 non-renounceable entitlement offer (Rights Issue) to raise up to \$10.2 million to accelerate the development of the Ungani Oilfield. The Rights Issue offered the opportunity to acquire shares in the Company at an issue price of \$0.15 per share, an approximate 22% discount to then 15-day VWAP on ASX of ~\$0.19. Further details of the Offer were set out in the Prospectus lodged with ASIC and ASX on 1 August 2017.

On 6 September 2017, Buru advised that the Rights Issue had closed with applications of some \$14.5 million for entitlement and shortfall shares received from eligible shareholders, significantly exceeding the \$10.2 million full subscription amount under the Rights Issue.

Rather than undertaking a wholesale pro-rata scale back in respect of shareholders who applied for shortfall shares to reduce the total subscription amount to \$10.2 million, the Board decided to make an additional placement of shares in respect of approximately \$3.6 million of the excess funds. The top-up share placement was made only to existing Buru shareholders who submitted shortfall applications and who qualified as sophisticated and professional investors and was made pursuant to the Company's ASX Listing Rule 7.1 placement capacity ("Top-up Placement").

The total capital raised by Buru under the Rights Issue and Top-up Placement was approximately \$13.8 million (before costs) and upon share allotment the Company's issued capital increased to 432 million shares.

### **Balance sheet restructured with variation of Alcoa repayments**

On 5 July 2017 Buru Energy announced it had entered into an agreement with Alcoa of Australia Limited to vary the repayment terms of the then \$12.5 million obligation as set out below:

- \$5.0 million was paid on 14 July 2017
- \$2.5 million to be paid on or before 31 December 2018
- \$2.5 million to be paid on or before 31 December 2019
- \$2.5 million to be paid on or before 31 December 2020

The debt continues to be unsecured and is now subject to an agreed market based interest rate on the outstanding balances commencing 1 January 2018, and payable annually in arrears. The \$2.5 million annual tranches are further subject to an accelerated capital repayment mechanism based on Buru Energy's gross revenue from Ungani oil sales exceeding an agreed base level. This aligns the amortisation of the remaining Alcoa loan to the future oil revenue profile of Buru Energy's 100% owned Ungani Oilfield, and provides more funding flexibility for Buru Energy to repay this debt from surplus cash flow.

### **Grant of Unlisted Employee Share Options**

During the quarter, the Board approved the grant of unlisted options to employees under the Company's Employee Share Option Plan ("ESOP") with a total of 4,550,000 unlisted options granted to 31 employees. This grant of options would reflect ~1% of issued capital if all options were exercised into shares. The options have an exercise price of \$0.31, more than double the price of the recent Rights Issue. The options expire on 31 December 2019. No options have been granted to the Executive Chairman or any other Directors.

## WA Government inquiry into hydraulic fracturing

During the quarter, the WA Government announced a moratorium on hydraulic fracturing (fracking) in Western Australia, pending the outcome of an independent scientific inquiry. The Company is engaging with the Government to ascertain what impact (if any) that the moratorium has in relation to the areas in the Canning Basin subject to the Natural Gas (Canning Basin Joint Venture) Agreement. In any event, Buru Energy notes that this latest proposed inquiry comes less than two years after the completion of a comprehensive inquiry into fracking carried out by the WA Parliament from 2013 to 2015. This recent parliamentary inquiry spent more than two years gathering evidence, examining research and engaging with the community through public hearings and submissions. The final report tabled in November 2015 concluded that hydraulic fracturing posed negligible risk if properly regulated.

Buru Energy is confident that this upcoming scientific inquiry will come to the same conclusion as all previous inquiries, that the industry is safe if properly regulated. Any extended moratorium on unconventional gas activity in Western Australia will prevent people in regional areas enjoying the benefits of a gas industry that include opportunities for employment and generation of investment and also providing energy security. The industry also has the potential to provide economic empowerment to Traditional Owners in remote areas, which was the case when a successful frac program was completed on Noonkanbah Station in 2015 with the full support and involvement of the Traditional Owners and members of the Noonkanbah community.

## Financial

During the September 2017 quarter, the Company recorded a net cash inflow of \$6.4 million and at the end of the quarter had a cash balance of \$25.6 million. The ASX Appendix 5B attached to this report contains the Company's cash flow statement for the quarter which is summarised as follows:

- **Exploration** cash outflows of \$0.6 million for the quarter (June 2017: \$0.3 million), comprised primarily of the ongoing Ungani oil trend evaluation, asset integrity, Traditional Owner engagement costs and desktop geological and geophysical work.
- **Development** cash outflows of \$1.9 million for the quarter (June 2017: \$0.4 million), comprised of costs associated with the Ungani Phase 1 and Phase 2 upgrades and initial costs associated with the Ungani workover and drilling campaign.
- **Production** net cash inflows of \$1.4 million for the quarter (June 2017: \$0.4 million cash outflow) comprised of oil sales of 60,275 bbls at a realised price of ~AUD\$62/bbl and oil production of 88,919 bbls
- **Staff, administration and corporate** cash outflows of \$1.2 million for the quarter (June 2017: \$1.0 million) were slightly higher than the previous quarter as Buru Energy has taken responsibility for 100% of the general and administrative costs of the production licenses and exploration permits interests acquired following the asset swap with Mitsubishi.
- **Rights Issue/Placement** net cash inflow of \$13.7m from the issue of ~92 million shares at \$0.15 on 11 September.
- **Alcoa loan** repayment instalment of \$5.0m on 14 July.

The Company is forecasting a cash outflow of \$13.6 million in the December 2017 quarter:

- **Exploration** cash outflows are estimated at \$1.4 million and include ongoing expenditures relating to desktop geological and geophysical work, ongoing asset integrity and Traditional Owner engagement.
- **Development** cash outflows are estimated at \$11.3 million. The expenditures include costs associated with the Ungani production facility Phase 2 upgrades, the workovers of Ungani 1ST1 and Ungani 2 and the drilling operations at the Ungani 4 and Ungani 5 wells.
- **Production** net cash inflows are estimated at \$0.6 million being net cash receipts from the Ungani oilfield production, with production increases and associated sales receipts from the Ungani development program expected to be delayed until the following quarter as discussed above.
- **Staff, administration and corporate** cash outflows are estimated at \$1.5 million reflecting the current high level of operational activity.

The Company's cash position continues to be carefully monitored to ensure the Company can meet its commitments as and when they fall due.



## Schedule of interests in permits as at 30 September 2017

| <u>Permit</u> | <u>Type</u>        | <u>Ownership</u> | <u>Operator</u>      | <u>Location</u>   |
|---------------|--------------------|------------------|----------------------|-------------------|
| 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 | 100.00%          | Buru Energy Ltd      | Canning Basin, WA |
| L21*          | Production licence | 100.00%          | Buru Energy Ltd      | Canning Basin, WA |
| EP129**       | Exploration permit | 100.00%          | Buru Energy Ltd      | Canning Basin, WA |
| EP391*        | Exploration permit | 100.00%          | Buru Energy Ltd      | Canning Basin, WA |
| EP428*        | Exploration permit | 100.00%          | Buru Energy Ltd      | Canning Basin, WA |
| EP431*        | Exploration permit | 100.00%          | Buru Energy Ltd      | Canning Basin, WA |
| EP436*        | Exploration permit | 100.00%          | 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 |

\* Subject to the approval and registration of the instruments of transfer. These were lodged with the DMP (now DMIRS) on 16 June 2017.

\*\* Excluding the Backreef Area.

Visit [www.buruenergy.com](http://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. It owns 100% of its flagship high quality conventional Ungani Oilfield project and 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.

### Qualified Petroleum Resources Evaluator Statement

Except where otherwise noted, information in this release related to exploration and production results and petroleum resources is based on information compiled by Eric Streitberg who is an employee 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 40 years of relevant experience. Mr Streitberg consents to the inclusion of the information in this document.

## Appendix 5B

# Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96. Origin: Appendix 8. Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

### Name of entity

**BURU ENERGY LIMITED**

### ABN

71 130 651 437

### Quarter ended ("current quarter")

30 September 2017

| Consolidated statement of cash flows                                      | Current quarter<br>\$A'000 | Year to date<br>(9 months)<br>\$A'000 |
|---------------------------------------------------------------------------|----------------------------|---------------------------------------|
| <b>1. Cash flows from operating activities</b>                            |                            |                                       |
| 1.1 Receipts from customers                                               | 3,551                      | 3,551                                 |
| 1.2 Payments for                                                          |                            |                                       |
| (a) exploration & evaluation                                              | (597)                      | (1,120)                               |
| (b) development                                                           | (1,909)                    | (2,360)                               |
| (c) production                                                            | (2,145)                    | (2,166)                               |
| (d) care and maintenance                                                  | (5)                        | (744)                                 |
| (e) staff costs                                                           | (643)                      | (1,553)                               |
| (f) administration and corporate costs                                    | (581)                      | (1,459)                               |
| 1.3 Dividends received (see note 3)                                       | -                          | -                                     |
| 1.4 Interest received                                                     | 81                         | 319                                   |
| 1.5 Interest and other costs of finance paid                              | -                          | -                                     |
| 1.6 Income taxes paid                                                     | -                          | -                                     |
| 1.7 Research and development refund                                       | -                          | -                                     |
| 1.8 Joint venture partner's final contribution towards Ungani development | -                          | 1,500                                 |
| <b>1.9 Net cash from / (used in) operating activities</b>                 | <b>(2,248)</b>             | <b>(4,032)</b>                        |
| <b>2. Cash flows from investing activities</b>                            |                            |                                       |
| 2.1 Payments to acquire:                                                  |                            |                                       |
| (a) property, plant and equipment                                         | -                          | (71)                                  |
| (b) tenements (see item 10)                                               | -                          | -                                     |

## Mining exploration entity and oil and gas exploration entity quarterly report

| <b>Consolidated statement of cash flows</b>               | <b>Current quarter<br/>\$A'000</b> | <b>Year to date<br/>(9 months)<br/>\$A'000</b> |
|-----------------------------------------------------------|------------------------------------|------------------------------------------------|
| (c) investments                                           | -                                  | -                                              |
| (d) other non-current assets                              | -                                  | -                                              |
| <b>2.2 Proceeds from the disposal of:</b>                 |                                    |                                                |
| (a) property, plant and equipment                         | -                                  | 9                                              |
| (b) tenements (see item 10)                               | -                                  | -                                              |
| (c) investments                                           | -                                  | -                                              |
| (d) other                                                 | -                                  | -                                              |
| <b>2.3 Cash flows from loans to other entities</b>        | -                                  | -                                              |
| <b>2.4 Dividends received (see note 3)</b>                | -                                  | -                                              |
| <b>2.5 Other (provide details if material)</b>            | -                                  | -                                              |
| <b>2.6 Net cash from / (used in) investing activities</b> | <b>-</b>                           | <b>(62)</b>                                    |

|                                                                                 |              |              |
|---------------------------------------------------------------------------------|--------------|--------------|
| <b>3. Cash flows from financing activities</b>                                  |              |              |
| 3.1 Proceeds from issues of shares                                              | 13,804       | 13,804       |
| 3.2 Proceeds from issue of convertible notes                                    | -            | -            |
| 3.3 Proceeds from exercise of share options                                     | -            | -            |
| 3.4 Transaction costs related to issues of shares, convertible notes or options | (123)        | (123)        |
| 3.5 Proceeds from borrowings                                                    | -            | -            |
| 3.6 Repayment of Alcoa liability                                                | (5,000)      | (5,000)      |
| 3.7 Transaction costs related to loans and borrowings                           | -            | -            |
| 3.8 Dividends paid                                                              | -            | -            |
| 3.9 Other (provide details if material)                                         | -            | -            |
| <b>3.10 Net cash from / (used in) financing activities</b>                      | <b>8,681</b> | <b>8,681</b> |

|                                                                                 |         |         |
|---------------------------------------------------------------------------------|---------|---------|
| <b>4. Net increase / (decrease) in cash and cash equivalents for the period</b> |         |         |
| 4.1 Cash and cash equivalents at beginning of period                            | 19,205  | 21,052  |
| 4.2 Net cash from / (used in) operating activities (item 1.9 above)             | (2,248) | (4,032) |
| 4.3 Net cash from / (used in) investing activities (item 2.6 above)             | -       | (62)    |
| 4.4 Net cash from / (used in) financing activities (item 3.10 above)            | 8,681   | 8,681   |

## Mining exploration entity and oil and gas exploration entity quarterly report

| <b>Consolidated statement of cash flows</b> |                                                   | <b>Current quarter<br/>\$A'000</b> | <b>Year to date<br/>(9 months)<br/>\$A'000</b> |
|---------------------------------------------|---------------------------------------------------|------------------------------------|------------------------------------------------|
| 4.5                                         | Effect of movement in exchange rates on cash held | (1)                                | (2)                                            |
| <b>4.6</b>                                  | <b>Cash and cash equivalents at end of period</b> | <b>25,637</b>                      | <b>25,637</b>                                  |

| <b>5.</b>  | <b>Reconciliation of cash and cash equivalents</b><br>at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | <b>Current quarter<br/>\$A'000</b> | <b>Previous quarter<br/>\$A'000</b> |
|------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|-------------------------------------|
| 5.1        | Bank balances                                                                                                                                                               | 3,279                              | 935                                 |
| 5.2        | Call deposits                                                                                                                                                               | 22,358                             | 18,270                              |
| 5.3        | Bank overdrafts                                                                                                                                                             | -                                  | -                                   |
| 5.4        | Other (provide details)                                                                                                                                                     | -                                  | -                                   |
| <b>5.5</b> | <b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>                                                                                            | <b>25,637</b>                      | <b>19,205</b>                       |

**6. Payments to directors of the entity and their associates**

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

| <b>Current quarter<br/>\$A'000</b> |
|------------------------------------|
|------------------------------------|

232

-

N/A

**7. Payments to related entities of the entity and their associates**

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

| <b>Current quarter<br/>\$A'000</b> |
|------------------------------------|
|------------------------------------|

-

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N/A

## Mining exploration entity and oil and gas exploration entity quarterly report

| <b>8. Financing facilities available</b><br><i>Add notes as necessary for an understanding of the position</i>                                                                                                                                                                             | <b>Total facility amount<br/>at quarter end<br/>\$A'000</b> | <b>Amount drawn at<br/>quarter end<br/>\$A'000</b> |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|----------------------------------------------------|
| 8.1 Loan facilities                                                                                                                                                                                                                                                                        | -                                                           | -                                                  |
| 8.2 Credit standby arrangements                                                                                                                                                                                                                                                            | -                                                           | -                                                  |
| 8.3 Other (please specify)                                                                                                                                                                                                                                                                 | -                                                           | -                                                  |
| 8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well. |                                                             |                                                    |

**Alcoa Liability**

During the quarter, the Alcoa loan was restructured and \$5m was paid to Alcoa on 14 July with the remaining balance of \$7.5m repayable in instalments commencing 31 December 2018.

| <b>9. Estimated cash outflows for next quarter</b> | <b>\$A'000</b>  |
|----------------------------------------------------|-----------------|
| 9.1 Exploration and evaluation                     | (1,400)         |
| 9.2 Development                                    | (11,300)        |
| 9.3 Production (Net after receipts)                | 600             |
| 9.4 Staff costs                                    | (600)           |
| 9.5 Administration and corporate costs             | (900)           |
| <b>9.7 Total estimated cash outflows</b>           | <b>(13,600)</b> |

| <b>10. Changes in tenements (items 2.1(b) and 2.2(b) above)</b>                            | <b>Tenement reference and location</b> | <b>Nature of interest</b> | <b>Interest at beginning of quarter</b> | <b>Interest at end of quarter</b> |
|--------------------------------------------------------------------------------------------|----------------------------------------|---------------------------|-----------------------------------------|-----------------------------------|
| 10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced |                                        | Nil                       |                                         |                                   |
| 10.2 Interests in mining tenements and petroleum tenements acquired or increased           |                                        | Nil                       |                                         |                                   |

**Compliance statement**

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:   
.....  
Company Secretary

Date: 31 October 2017

Print name: Shane McDermott

**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 that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.