

# Quarterly Activities Report

For the period ended 31 March 2014



**NEW STANDARD  
ENERGY**

Date: 30 April 2014

## Summary

### Acquisitions

- Shareholders overwhelmingly supported transactions to acquire the Atascosa Eagle Ford Project (**Atascosa Project**), Texas, USA, together with a 52.5 per cent operated interest in PEL 570 in the Cooper Basin, South Australia
- 95 per cent shareholder approval was received with settlement of both transactions occurring during January 2014

### Atascosa Project Production

- Gross production for the quarter from the five Atascosa Project wells was 21,180 barrels of oil equivalent (**BOE**)
- Estimated net revenue for the quarter was \$1.09 million (after payment of all royalties)

### Exploration & Development

- New Standard successfully drilled two wells in the Atascosa Project
  - Peeler Ranch-5H and 6H wells drilled and cased on time and budget
  - The wells are currently undergoing fracture stimulation and will be tied into production, adding to five existing wells on production
- Planning and preparation progressed for the PEL 570 work program in the Cooper Basin, South Australia
- Western Australian portfolio progressed, however awaiting various approvals and consents

### Corporate

- Cash position of \$13.8 million at 31 March 2014
- Terms sheet agreed to establish an initial debt facility of up to US\$32.5 million
  - Upon closing by mid-May, New Standard will have the ability to draw down sufficient funds to pay for the completion of the current two wells in the Atascosa Project
  - Further draw-downs will be available as reserves increase following completion of the current and future wells
- Magnum Hunter Resources Corporation (**NYSE: MHR, Magnum Hunter**) welcomed as a new substantial New Standard shareholder
  - H.C. Kip Ferguson III joins New Standard Board as a Non-Executive Director of the Company

## Overview

After shareholders overwhelmingly supported a transformational transaction, New Standard Energy Limited (**New Standard**) has achieved a productive quarter, drilling its first two wells in the Atascosa Project, booked production and revenue from its newly acquired wells and achieved progress on its Australian projects.

The transactions, which achieved 95 per cent shareholder support in January 2014, have propelled New Standard into becoming a producer, developer and explorer, filling out its project pipeline and diversifying the Company's asset base.

As a result the company is now focused on the following activities:



- Developing its Atascosa Project – a liquids rich, producing asset in the Atascosa County, Texas, USA;
- Assessing the most efficient exploration program for PEL570 in the Cooper Basin, which has significant pathway to market options, in South Australia alongside Magnum Hunter; and
- Progressing its frontier exploration program in the Canning and Carnarvon Basins in Western Australia in line with approvals and consents.

Drilling of the first development wells in the Atascosa Project, which was overseen by strategic business partner Magnum Hunter Resources, was completed on time and within budget. Once complete and tied in, the wells will add to five existing production wells, which produced 21,180 barrels of oil equivalent (**BOE**) gross during the quarter.

Securing debt financing to fund the development of the Atascosa Project was a key driver for New Standard during the quarter. In March, the Company reached agreement on a terms sheet to establish an initial debt facility of up to US\$32.5 million, with closing conditional upon the completion of satisfactory due diligence and legal documentation. Due diligence and legal documentation are both at advanced stages resulting in good progress being made towards closing the debt facility, expected by mid-May.

New Standard Energy Managing Director Phil Thick said New Standard was delivering on a number of key milestones set as part of the recent transaction.

“We have re-focused our strategy to encompass our broader portfolio, and have focused on the Atascosa Project in the short term. We have achieved milestones such as the Eagle Ford drilling and the debt funding agreement, while work has continued in the background on progressing our medium and longer term projects,” he said.

“Throughout the remainder of 2014 we will obtain production data from the two Peeler Ranch wells we have just drilled, look to drill another two wells at Peeler Ranch later this year and progress farm-out negotiations for some of our large Australian acreage.”

## Portfolio and activities overview

### **Atascosa Project, Eagle Ford, Texas, USA**

Drilling commenced during the quarter at the Company’s Atascosa Project, with two wells successfully drilled on the same pad. Currently, the wells are undergoing fracture stimulation so that they can be tied into production during late May 2014.

New Standard’s strategic business partner and now largest shareholder, Magnum Hunter, acted as operator of the acreage on New Standard’s behalf, using its existing technical skillset and local knowledge base to advance the development and production project.

The Peeler Ranch-5H (finished 25 February 2014) and 6H (finished 24 March 2014) wells have been drilled in parallel lateral lengths, targeting the same Eagle Ford hydrocarbon bearing zone to maximise production and minimise associated drilling, hydraulic stimulation and production tie-in costs.

The Peeler Ranch-5H and 6H are currently being fracture stimulated concurrently using the “zipper frac” method, which alternates fracture stages between the two wells, and causes an incremental increase in fracture interaction, leading to better recovery.



This operation will take approximately two weeks to complete and requires approximately 20 stages of fracture stimulation in each well. Upon completion of the fracture stimulation, both wells will be shut in for up to two weeks, as per normal operating procedure, to potentially improve fracture propagation, retained reservoir pressure and flow rates.

The Company is focused on completing the two wells within the next month, after which a decision will be made as to the location of additional wells within the project's most prospective acreage.

"While there have been multiple well locations identified through our analytical work with Magnum Hunter, we want to be sure we are drilling in the most prospective areas in order to continue to maximise our reserves base and generate increased cashflow for the Company," said Mr Thick.

During the quarter, the Company produced a gross total of 21,180 BOE from the five existing wells (Lagunillas Camp-1H, Lagunillas Camp-2H, McCarty Ranch Unit A-1H, Peeler Ranch-3H and Peeler Ranch-4H) located within the Atascosa Project's acreage.

Production during the quarter was affected by the shut in of both Peeler-3H and 4H wells for up to 27 days for work-over as well as the natural decline rates associated with Eagle Ford wells. Both wells were reinstated as producers late in the quarter but have been shut in for the fracture stimulation and flow back of the Peeler 5H and 6H wells.

Actual sales receipts reflected in the company's cashflow for the March 2014 quarter reflected February's production only as revenue earned in December and January was offset against the settlement payment for the asset. Sales from March's production will be reflected in the June quarter cashflow, after allowing for a one month lag in sales receipts as per standard industry commercial arrangements.

As announced on 10 January 2014, a reserves study completed by Cawley, Gillespie and Associates (**CG&A**) delineated 12.3 million BOE of 3P reserves (of which 1.5 million BOE are 1P and 2.7 million BOE are 2P) as at 1 December 2013 from the 5,182 net acres in the Atascosa Project. CG&A used the deterministic method of petroleum reserves estimation and these numbers contemplate a conversion factor of 6MMcf = 1,000 BOE. Net reserves are based on the Company's net revenue interests, as set out in its 10 January 2014 announcement and are estimated at the gate (which is the reference point for the purposes of Listing Rule 5.26.5).

In addition, New Standard's minority interest in the Colorado County Project (consisting of an interest in four wells) recorded a gross production of 51,731 thousand cubic feet of gas and 1,456 barrels of condensate. No material activity occurred during the quarter and these assets remain a non-core focus within the Company's portfolio.

### **PEL 570 Project, Cooper Basin, South Australia**

During the quarter, the Company has finalised all the necessary documentation and approvals to farm-in to the Cooper Basin PEL 570 acreage in South Australia and is now registered on title for a 52.5 per cent operated interest.

The farm-in to the permit held by Ambassador Oil and Gas Limited (**ASX: AQO**) has a seismic commitment in 2014 and the first well commitment in 2015. Planning and preparation for these activities has commenced and Magnum Hunter will be working closely with New Standard, the permit's operator, to plan and develop the exploration program.



## Western Australian Projects

New Standard continues to manage the planning and development of its extensive Western Australian assets.

In the Southern Canning Project, New Standard is progressing its plans for the development of the project alongside its joint venture partners ConocoPhillips and PetroChina. The plans remain subject to various approvals and consents which continue to progress, albeit at a slower pace than New Standard would prefer.

The Laurel Project has been bolstered by the conversion of the Seven Lakes Special Prospecting License (**Seven Lakes SPA**) into an exploration permit application STP-EPA-0109 (pending Native Title Agreement), which will give the Company 100 per cent ownership of this area and the adjacent EP417. Encouraging progress was also made during the quarter on identifying potential prospects within the Laurel Project acreage.

No further activity was undertaken on the Merlinleigh Project during the quarter.

The improved tenure over a larger area and the identification of a potential new prospect on EP417 is expected to assist New Standard in farm-in discussions with potential joint venture partners across its WA portfolio. Over the next six months the Company will be actively seeking partners through a formal farm-out process to secure additional funding and reduce risk.

## Corporate and finance

### Financial position

The Company ended the quarter with a cash position of approximately \$13.8 million, not including the initial debt funding (yet to be drawn down) in the Company's overall cash position. Assuming an initial draw can be made upon the debt facility, as anticipated during May, the initial draw will fund the completion costs associated with the Peeler-5H and 6H wells. The remaining cash position, together with any income received from the existing wells during the coming quarter, is expected to provide New Standard sound coverage of all of its current commitments.

New Standard reached agreement on a terms sheet to establish an initial debt facility of up to US\$32.5 million, with closing conditional upon the completion of satisfactory due diligence and legal documentation – both of which are currently well advanced. The agreement is with a large and reputable global financial services company.

Upon closing of the debt facility, New Standard will have the ability to draw down sufficient funds of a senior secured facility to fund the Company's Atascosa Project drilling and completions expenditure and any ancillary expenses associated with securing the debt facility.

The facility also allows funds up to a total of US\$32.5 million to be drawn, based on the reserves and production growth resulting from the Peeler Ranch-5H and 6H wells (which are currently undergoing fracture stimulation and completion) and other future wells to be drilled. The arrangement also establishes a relationship to grow debt funding further as future wells are drilled by New Standard in the Eagle Ford.

The company's cash position was largely influenced by \$21.487 million in cash payments made during the quarter to secure the Atascosa Project from Magnum Hunter Resources and the farm-in to the PEL 570 exploration permit in the Cooper Basin from Outback Energy Hunter Limited.



In addition to the cash component, a total of 80.65m ordinary shares in New Standard were issued as part of the transaction consideration.

A final 'true up' of the transaction will occur in the June 2014 quarter to balance up forecasts made against actual costs/revenue accrued by all parties. New Standard does not expect this to have a material impact on its cashflow or profit/loss.

### Board changes

In February, New Standard appointed H.C. Kip Ferguson III as a Non-Executive Director of the Company. Mr Ferguson brings to New Standard and its Board of Directors more than 24 years of onshore exploration and development experience in several major United States oil and gas basins. He is also currently the Executive Vice President of Exploration at Magnum Hunter Resources.

Mr Ferguson joined the Company during a transition period as Dr Mark Hagan expressed his desire to step-back from his role as a Non-Executive Director. The Board accepted the resignation of Dr Hagan, who indicated some time ago his desire to spend more quality time with his family.

Dr Hagan was a founding member of New Standard and the driving force behind the acquisition of the Company's Western Australian acreage.

In addition, Mr Sam Willis formally re-joined as an Executive Director of the Company to support and facilitate the corporate changes following the recent transactions.

**Table 1: Current petroleum tenements as at 31 March 2014**

Permit	Percentage held	Joint Venture Partner
<b>Australian acreage</b>		
<b>Cooper Basin, South Australia</b>		
PEL 570*	52.5%	Ambassador Oil & Gas Limited
<b>Canning Basin, Western Australia</b>		
EP 443	25% Operated Interest	ConocoPhillips (Canning Basin) Pty Ltd PetroChina International Investment (Australia) Pty Ltd
EP 450	25% Operated Interest	ConocoPhillips (Canning Basin) Pty Ltd PetroChina International Investment (Australia) Pty Ltd
EP 451	25% Operated Interest	ConocoPhillips (Canning Basin) Pty Ltd PetroChina International Investment (Australia) Pty Ltd
EP 456	25% Operated Interest	ConocoPhillips (Canning Basin) Pty Ltd PetroChina International Investment (Australia) Pty Ltd
STP-EPA-006	100% with option to dilute to 25%	ConocoPhillips (Canning Basin) Pty Ltd PetroChina International Investment (Australia) Pty Ltd
STP-EPA-007	100% with option to dilute to 25%	ConocoPhillips (Canning Basin) Pty Ltd PetroChina International Investment (Australia) Pty Ltd
STP-EPA-010	100% with option to dilute to 25%	ConocoPhillips (Canning Basin) Pty Ltd PetroChina International Investment (Australia) Pty Ltd



STP-EPA-0092	100%	-
EP 417	100%	-
STP-EPA-0109	100%	-
<b>Carnarvon Basin, Western Australia</b>		
EP 481	100%	-
EP 482	100%	-

<b>United States acreage</b>		
<b>Eagle Ford</b>		
<b>Project area</b>	<b>Gross acres</b>	<b>Company's working interest</b>
Eppright Prospect* (includes 1 lease)	2,285.95	96.88%
Alright Prospect* (includes 37 leases)	3,108.56	35.40%
Peeler Ranch* Prospect (includes 2 leases)	1,895.25	100%
<b>Colorado County Project</b>		
<b>Well</b>	<b>Percentage held</b>	<b>Joint Venture Partner</b>
Heintschel-1	32.5%	Burleson Energy Ltd, AKG Energy LLC and minority interests
Heintschel-2	32.5%	Burleson Energy Ltd, AKG Energy LLC and minority interests
D Truchard-1	32.5%	Burleson Energy Ltd, AKG Energy LLC and minority interests
Joann-1	33.68%	Burleson Energy Ltd, AKG Energy LLC and minority interests

*\*Permits/acreage acquired during the quarter*

*The information in this announcement relating to petroleum reserves and resources has been previously announced by the Company in an announcement dated on 10 January 2014. New Standard confirms that it is not aware of any new information or data that materially affects this information and all material assumptions and technical parameters underpinning the estimates set out in its announcement dated 10 January 2014 continue to apply and have not materially changed.*

**- ENDS -**

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**About New Standard:** New Standard Energy is an onshore hydrocarbon producer, developer and explorer with a commitment to develop and realise the oil and gas potential of the most prospective shale and tight gas basins across the US and Australia. The Company's exploration and production program is active, well-funded and extensive. It is underpinned and complemented by targeted corporate activity to take advantage of opportunities and to build an extensive pipeline of prospective projects. New Standard's Board has substantial technical and commercial experience in the oil and gas sector.

The Company operates in four primary basins: Eagle Ford, Texas, USA; Cooper, South Australia; and the Canning and Carnarvon, Western Australia.

The Eagle Ford acreage is a development and production project. It contains five existing production wells, in the oil window of the Eagle Ford shale, which are currently producing and generating revenue that will provide immediate monthly cash flow to the Company. New Standard is currently drilling and evaluating additional wells.

The Cooper Basin Project is later stage exploration and development, to take advantage of existing infrastructure and the domestic and export opportunities available in the Australian East Coast gas market.

The Canning and Carnarvon Projects are frontier basins, providing New Standard's investors with exposure to high risk, high reward exploration.

New Standard benefits from a strategic alliance with its major shareholder, the US-based Magnum Hunter Resources Corporation, to efficiently develop the Atascosa Project in the Eagle Ford; to develop the Cooper Basin; and to explore in the Canning and Carnarvon Basins. The Company's portfolio includes:

Texas

- Working interests ranging from 35.4% to 100% Working Interest across 7,289.76 total acres in the Eagle Ford shale, onshore Texas, USA
- 32.5% working interest in the Colorado County Project, onshore Texas, USA

South Australia

- 52.5% operated interest in the PEL 570 acreage area in the Cooper Basin, South Australia

Western Australia

- 25% operated interest in the Southern Canning Project (EPs 443, 450, 451, 456), Canning Basin, Western Australia
- 100% operated interest in the Southern Canning Project (application areas STP-EPA-006, STP-EPA-007 and STP-EPA-010), Canning Basin, Western Australia
- 100% operated interest in the Laurel Project (EP 417 and Exploration Permit Application STP-EPA-0109), Canning Basin, Western Australia
- 100% operated interest in the Merlinleigh Project (EPs 481 and 482), onshore Carnarvon Basin, Western Australia
- 100% operated interest in application area STP-EPA-0092

In addition to the above portfolio, New Standard has a 28.2% equity interest in ASX listed Elixir Petroleum (**ASX: EXR**) and has formed a strategic alliance with Magnum Hunter Resources Corporation (**NYSE: MHR**) to deliver expertise and corporate growth. New Standard is also continuing to actively assess other opportunities to complement and expand its exploration portfolio.



## 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, 01/05/2013

Name of entity

<b>NEW STANDARD ENERGY LIMITED</b>
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ABN

<b>20 119 323 385</b>
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Quarter ended ("current quarter")

<b>31 March 2014</b>
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### Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (9 months) \$A'000
<b>Cash flows related to operating activities</b>		
1.1 Receipts from product sales and related debtors	486	533
1.2 Payments for (a) exploration & evaluation (b) development (c) production (d) administration	(1,826) (1,646) (169) (801)	(6,894) (1,685) (169) (3,677)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	235	1,037
1.5 Interest and other costs of finance paid	(4)	(12)
1.6 Income taxes paid	-	-
1.7 Other (R&D tax offset claim)	-	6,031
<b>Net Operating Cash Flows</b>	<b>(3,725)</b>	<b>(4,836)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets	(21,484) - (3)	(21,768) (1,004) (67)
1.9 Proceeds from sale of: (a) prospects (b) equity investments (c) other fixed assets	- - -	- - -
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
<b>Net investing cash flows</b>	<b>(21,487)</b>	<b>(22,839)</b>
1.13 Total operating and investing cash flows (carried forward)	(25,212)	(27,675)

+ See chapter 19 for defined terms.



## Appendix 5B

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

1.13	Total operating and investing cash flows (brought forward)	(25,212)	(27,675)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	152	152
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	(19)	(56)
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	<b>Net financing cash flows</b>	<b>133</b>	<b>96</b>
	<b>Net increase (decrease) in cash held</b>	<b>(25,079)</b>	<b>(27,579)</b>
1.20	Cash at beginning of quarter/year to date	39,062	41,538
1.21	Exchange rate adjustments to item 1.20	(140)	(116)
1.22	<b>Cash at end of quarter</b>	<b>13,843</b>	<b>13,843</b>

### Payments to directors of the entity, associates of the directors, 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	289
1.24	Aggregate amount of loans to the parties included in item 1.10	-

#### 1.25 Explanation necessary for an understanding of the transactions

The amounts at 1.1 include receipts from petroleum sales from the Eagle Ford Project and Colorado County Project in USA.

The amounts at 1.2(a) include (amongst other items) costs relating to preparation for drilling on the West Australian assets.

The amounts at 1.2(b) include costs relating to drilling the Peeler #5 and #6 wells in the Eagle Ford Project, USA.

The amount at 1.8(a) pertains to cash payments associated with the acquisition of both the Eagle Ford assets in Texas, USA, and a 52.5% operated interest in PEL 570 in the Cooper Basin in South Australia via the acquisition of Outback Energy Hunter Pty Ltd.

### 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

+ See chapter 19 for defined terms.

Part consideration for the acquisition of Eagle Ford assets in Texas, USA included the issue of 65,650,000 fully paid ordinary shares in New Standard Energy Ltd to Magnum Hunter Resources Corporation.

Part consideration for the acquisition of a 52.5% operated interest in PEL 570 via the acquisition of Outback Energy Hunter Pty Ltd (OEH) included the issue of 15,000,000 fully paid ordinary shares in New Standard Energy Ltd to the shareholders of OEH.

- 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'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	700
4.2 Development	12,500
4.3 Production	300
4.4 Administration (net of recharges)	1,000
<b>Total</b>	<b>14,500</b>

**NOTE: Estimated cash outflows make no allowance for revenues associated with the producing wells in the Eagle Ford Project or for the debt facility currently being finalised. Assuming proceeds from ongoing production and debt closing are received as expected, adequate cash resources should exist to meet forecast expenditures and retain a healthy cash position.**

### 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

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+ See chapter 19 for defined terms.

## Appendix 5B

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

5.1	Cash on hand and at bank	11,116	12,284
5.2	Deposits at call	2,727	26,778
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>		<b>13,843</b>	<b>39,062</b>

### 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 and petroleum tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements and petroleum tenements acquired or increased	PEL 570 Cooper Basin South Australia	0%	52.5%
		Alright, Eppright and Peeler Ranch Prospects, Atascosa County, Texas, USA	0%	Various, from 35.4% - 100%

### 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) (cents)	Amount paid up per security (see note 3) (cents)
7.1	N/A			
<b>Preference securities</b> (description)				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions			
7.3	<b>+Ordinary securities</b>	<b>386,169,603</b>	<b>386,169,603</b>	

+ See chapter 19 for defined terms.

**Appendix 5B**

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

7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	80,837,756 -	80,837,756 -		
7.5	<b>+Convertible debt securities</b> (description)	N/A			
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	<b>Options</b> (description and conversion factor)			<i>Exercise price</i>	<i>Expiry date</i>
		500,000	-	22.5c	30 June 2015
		500,000	-	27.5c	30 June 2015
		6,250,000	-	38.5c	20 December 2014
		3,750,000	-	43.0c	20 December 2014
		150,000	-	81.0c	24 April 2015
		150,000	-	90.5c	24 April 2015
		375,000	-	74.5c	10 August 2015
		375,000	-	83.5c	10 August 2015
		300,000	-	39.0c	12 December 2015
		300,000	-	44.0c	12 December 2015
		1,000,000	-	40.0c	02 April 2016
		1,000,000	-	50.0c	02 April 2016
		100,000	-	51.9c	13 February 2017
		100,000	-	58.1c	13 February 2017
7.8	Issued during quarter	100,000 100,000	- -	51.9c 58.1c	13 February 2017 13 February 2017
7.9	Exercised during quarter	-	-	-	-
7.10	Expired/lapsed during quarter	150,000 150,000	- -	81.0c 90.5c	24 April 2015 24 April 2015
7.11	<b>Retention Rights</b>			<i>Issue price</i>	<i>Measurement date</i>
		212,000	-	49.97c	14 September 2015
		880,000	-	16.89c	14 September 2016
7.12	Issued during quarter	880,000	-	16.89c	14 September 2016
7.13	Vested during quarter	212,000	-	49.97c	14 March 2014
7.14	Expired during quarter	-	-	-	-
7.15	<b>Performance Rights</b>			<i>Issue price</i>	<i>Measurement date</i>
		848,000	-	49.97c	14 September 2015
		5,120,000	-	16.89c	14 September 2016

+ See chapter 19 for defined terms.

## Appendix 5B Mining exploration entity and oil and gas exploration entity quarterly report

7.16	Issued during quarter	5,120,000	-	16.89c	14 September 2016
7.17	Vested during quarter	-	-	-	-
7.18	Expired during quarter	848,000	-	49.97c	14 March 2014
7.19	<b>Debentures</b> <i>(totals only)</i>	-	-		
7.20	<b>Unsecured notes</b> <i>(totals only)</i>	-	-		

### 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 does give a true and fair view of the matters disclosed.



David Hansen-Knarhoi  
Joint Company Secretary  
30 April 2014

### 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 is 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* apply to this report.

+ See chapter 19 for defined terms.

- 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.

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