

29 July 2010  
Manager of Company Announcements  
ASX Limited  
Level 6, 20 Bridge Street  
SYDNEY NSW 2000

By E-Lodgement

### QUARTERLY REPORT FOR THE PERIOD ENDED 30 JUNE 2010

The quarter ended 30 June 2010 has seen Otto Energy Ltd ("Otto") continue to develop its production assets and mature its exploration assets.

- First sales gas achieved from Edirne Gas Facility on 8 April 2010 with 655 Mscf of gas gross (229 Mscf net to Otto) delivered to customers during Q2 2010.
- Galoc production of 796,815 bbl gross (149,642 bbl net to Otto) of crude oil with 100% uptime
- 4 exploration wells drilled in the Edirne license resulting in 4 discoveries

The Galoc oil field has now produced a total of 5.14 Mbbls of crude oil as of 30<sup>th</sup> June 2010 and delivered 15 offtakes to refinery customers. The field was producing ~8,600 bopd at the end of quarter. Otto is working with the Operator to continue to improve facility performance and plan for the appraisal and development of the remainder of the field.

During the quarter, processing of the 600km<sup>2</sup> 3D seismic program covering the Hawkeye prospect and adjacent leads in SC55 was completed. This data is now being interpreted. In March 2010 Otto completed the acquisition of a further 1,800km<sup>2</sup> of 3D seismic data within SC55. Processing of this seismic data has commenced and initial products for interpretation will be available during late 2010.

Otto is debt free, has interests in two producing areas, one offshore oil and the other onshore gas, and a significant interest in high potential Philippine exploration acreage. Cash reserves at the end of Q2 were A\$24.4 Million. Otto has delivered on its targets in first half 2010 and remains confident in meeting targets for the second half of 2010.

All enquiries are to be addressed to Matthew Allen, Chief Financial Officer on +61 8 6467 8800 or e-mail [info@ottoenergy.com](mailto:info@ottoenergy.com).

#### OTTO AT A GLANCE

- ASX-listed oil and gas company with significant growth potential.
- Production from Galoc Oil Field provides cash flow.
- Edirne gas field in Turkey becomes second revenue-generating asset.
- Opportunity rich with substantial exploration prospects and leads in portfolio.

#### COMPANY OFFICERS

Rick Crabb Chairman

Jaap Poll Non-exec Dir

Ian Macliver Non exec Dir

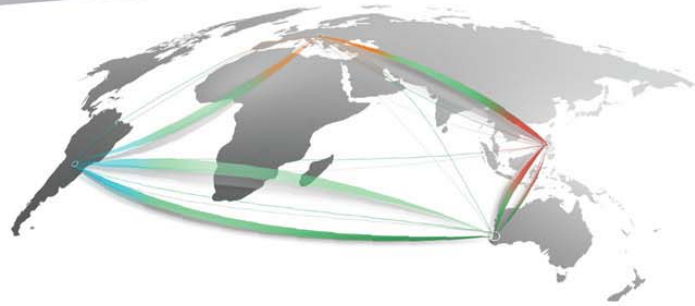
Rufino Bomasang Non exec Dir

John Jetter Non exec Dir

Paul Moore CEO

Matthew Allen CFO/Coy Sec

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**QUARTERLY ACTIVITIES REPORT  
FOR THE QUARTER ENDED 30 JUNE 2010**

**OPERATIONAL HIGHLIGHTS**

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**Galoc Production**

- Production for the quarter of 796,815 bbls of crude oil gross (March quarter 767,315 bbls) (149,642 bbl net, March quarter 144,102 bbl net) was achieved by the Galoc Oil Field. Three offtakes were delivered to customers. Payments of US\$5.805 million received by Otto from Galoc Production Company (GPC) after deduction of operating/lifting costs
- The Rubicon Intrepid FPSO production facility achieved an impressive uptime of 100% for the quarter. There were no disconnections from the mooring and riser during the period
- Production for the first half 2010 of 293,744 bbl is on track for Otto realising or exceeding its annual production target of 400,000 bbl for the calendar year 2010
- Otto continues to contribute to the design of potential facilities upgrade options as well as a potential second phase of development being planned by the Operator

**Turkey Production**

- Production for the quarter of 655 Mscf of gas gross (March quarter 0 Mscf) (229 Mscf net, March quarter 0 Mscf net). First sales gas delivered into the BOTAS national gas grid from the Edirne Gas Plant on 8 April 2010
- The average price realised in the quarter for gas sales was US\$7.40 mscf. Revenues from gas sales were US\$1.673m
- Phase 2 exploration and appraisal drilling continued with the drilling of a further four wells all of which encountered gas
- Ongoing operations in the Edirne licence focused on connecting recent discoveries to the gas plant and enhancing recoveries from existing fields

**Exploration and Development**

- Processing and geological and geophysical interpretation of the extensive 2D and 3D seismic data sets recently acquired in Service Contracts 55 and 69, is underway

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## FINANCIAL HIGHLIGHTS

		2010 YTD	June 2010 Quarter	March 2010 Quarter	Movement	Change %	
<b>Production (net to Otto)</b>							
- Galoc	<b>Bbl</b>	293,744	149,642	144,102	5,540	3.8%	
- Edirne <sup>(1)</sup>	<b>Mscf</b>	229	229	-	229	100.0%	
	<b>boe</b>	38,500	38,500	-	38,500	100.0%	
<b>Liftings (net to Otto) <sup>(4)</sup></b>		<b>bbl</b>	314,548	192,902	121,646	71,256	58.6%
<b>Receipts from GPC</b>		<b>US\$m</b>	16.317	5.805	10.512	(4.707)	(44.8%)
<b>Outstanding GPC Receivable</b>		<b>US\$m</b>	3.200	3.200	8.933	(5.733)	(64.2%)
<b>Closing Cash Position <sup>(5) (7)</sup></b>		<b>A\$m</b>	24.435	24.435	23.011	1.424	6.2%
<b>Expenditure (excl GPC costs) <sup>(6)</sup></b>		<b>A\$m</b>	19.813	4.49	6.334	1.844	(29.11%)

(1) "Mscf" means million standard cubic feet

(2) "mscf" means thousand standard cubic feet

(3) "boe" means barrels of oil equivalent. In common with international practice, dry gas volumes are converted to oil equivalent volumes via a constant conversion factor, for which Otto adopts 6 mcf of dry gas to one boe

(4) Receipts from GPC are subject to timing and payment conditions on oil deliveries and may therefore not correspond to liftings sold in the quarter

(5) Closing cash position does not include unspent monies of A\$9.721 million (US\$8.283m) held in escrow to fund the acquisition and processing of the 1,800 km<sup>2</sup> 3D seismic in SC 55

(6) Expenditure does not include GPC operating costs – these are deducted prior to remitting funds to Otto

(7) Closing cash position excludes A\$3.1m received from exercise of underwriting options on 2 July 2010

(8) "\$m" means millions of dollars

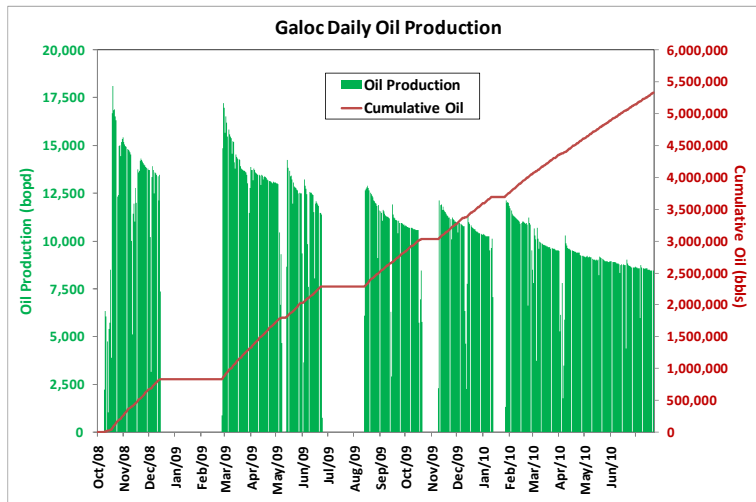
(9) "bopd" means barrels per day

The Reserve and Contingent Resource estimates outlined in this announcement have been compiled by Mr Craig Martin. Mr Martin is the Chief Operating Officer of Otto and a full time employee. Mr Martin has more than 20 years of relevant experience and is qualified in accordance with ASX Listing Rule 5.11. Mr Martin has consented to the form and context that this statement appears.

**PRODUCTION AND DEVELOPMENT ASSETS**

**GALOC OIL FIELD**

- Service Contract 14C, Palawan Basin, Philippines
- OEL 18.78% Indirect Interest (Held via 31.38% interest in GPC which has a 59.84% interest in the Galoc Block SC14C)
- Operator: Galoc Production Company WLL (GPC)



**Production:**

- Continued high facility uptime of 100% was experienced in the June quarter (March quarter 83%).
- Production to date from the Galoc field is 5.1 Mbbbl gross (0.96 Mbbbl to Otto)
- Field daily production averaged ~8,750 bopd during the quarter

	Quantity bbls	Uptime %	Rolling 12 Month Average
3rd Qtr 2009	547 223	53	60
4th Qtr 2009	747 767	78	62
1st Qtr 2010	767 315	83	74
2nd Qtr 2010	796 815	100	78

**Offtakes:**

- Three offtakes of Galoc crude oil were completed in the quarter with approximately 1,027,165 barrels gross (March quarter 647,746 bbls) (192,902 bbls net, March quarter 121,646 net) being delivered to customers. The difference between offtake and production volumes represent movements in crude oil inventories on the Rubicon Intrepid FPSO vessel at the end of the quarter

**Phase 1 Facilities Upgrade Options:**

- Otto continues to work with the Operator GPC to determine the most economically effective options to increase facility reliability and uptime. Improvements in operating procedures have seen significant improvement in facility uptime in the last three quarters

**Phase 2 Potential Development:**

- Reservoir development activities, including both interpretation and mapping of the recently reprocessed seismic data and future development well location selection/ranking continued in the quarter

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## PRODUCTION AND DEVELOPMENT ASSETS (CONTINUED)

### TURKEY

- *Edirne Licence, Thrace Basin*
- *OEL 35% Interest*
- *Joint Operators: TransAtlantic Mediterranean Int. Pty Ltd (55%) and Petraco (10%)*

#### First Gas announced

- First sales gas was delivered into the BOTAS national gas grid on 8<sup>th</sup> April 2010
- Production for the quarter was 655 Mscf of gas (gross) (March quarter was 0 Mscf) (229 Mscf gas net, March quarter 0 Mscf net)
- The average price realised in the quarter for gas sales was US\$7.40 per mscf
- Revenues from gas sales in the quarter were US\$1.673m
- Production rates during this commissioning period of the fields and gas processing facility (EGF) have ranged between 6 and 14 Mscf/day. Currently only around half the potential gas producing zones have been completed and are producing
- The joint ventures ongoing work programme includes additional perforations of existing production wells, connection into the infrastructure of the recent discoveries, and the likely installation of wellhead compression at several field locations to deliver targeted peak plateau rates of 10-14 Mscf/day

#### Exploration

- Phase 2 exploration and appraisal drilling commenced in 2010 with seven committed wells to be drilled. All wells have intersected gas shows with evaluation ongoing
- The initial results of the Yolboyu-1 well, drilled in March quarter, indicate small gas volumes have been observed in the Upper Danismen structure. The potential lower Osmancik structures are interpreted to be water bearing
- Otto has elected not to participate in the drilling of a further two wells in the Edirne licence (Bademlick-1 and Musulca-1)

Well	Target	Working Interest (%)	Remarks	Spud Date	Outcomes
Somurcali-1	Gas	35.00	Exploration	27 Mar 2010	Gas discovery, not economic
Camurbaba-1	Gas	35.00	Exploration	30 May 2010	Gas discovery
Buyukhoyuk-1	Gas	35.00	Exploration	11 June 2010	Gas discovery
Ortacki-2	Gas	35.00	Exploration	19 June 2010	Gas discovery

#### Production/Reservoir Development

- Additional perforations and water shut-off operations have commenced on production wells to enhance production recoveries. Initial operations have been undertaken on Koyustu-1, Ikihoyuk-1 and Ikihoyuk-2 wells
- Tie-in of Phase 2 discoveries will commence in Q3 2010 with long-lead equipment currently being delivered to site
- Well-head compression may be installed in late Q3 with 2 units initially and up to 4 units in total being commissioned. Given agreement to proceed, these compressors will be mobile and utilised to enhance individual field production and reserves and will be leased from an associated company of TransAtlantic, the field Operator

## EXPLORATION ASSETS

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### PHILIPPINES

#### Service Contract 55

- OEL (through its wholly-owned subsidiary NorAsian Energy Ltd) 85% Interest and Operator
- Area 9,880 km<sup>2</sup>
- Work commitments in current sub-phase completed. Next sub-phase commences August 2011 and includes drilling of one deepwater exploration well by August 2012

During the quarter processing of the 600km<sup>2</sup> 3D seismic program covering the Hawkeye prospect was completed. These data are now being interpreted.

In March 2010 Otto completed the acquisition of a further 1,800km<sup>2</sup> of 3D seismic data covering SC55. Processing of these seismic data has commenced and initial products for interpretation will be available during late 2010.

The service contract area has been extended by the Philippine Department of Energy by an additional 880km<sup>2</sup> of previously unlicensed acreage partially covered by the new 3D seismic.

#### Service Contract 50

- OEL (through its wholly-owned subsidiary NorAsian Energy Ltd) 85% Interest and Operator
- Area 1,280 km<sup>2</sup>
- Work commitment in the current sub-phase requires two wells in the Calait field by March 2011

Various development concepts are being evaluated by Otto to develop the Calait field. Otto continues to seek partners to participate in an appraisal and extended well test program (EWT) of the Calait Field designed to determine the commerciality of the resource within the presently assessed range of 1.50 mmbbl (1C Contingent Resource) to 15.00 mmbbl (3C Contingent Resource).

#### Service Contract 51

- OEL (through its wholly-owned subsidiary NorAsian Energy Ltd) 80% Interest and Operator
- Area 3,320 km<sup>2</sup>
- Work commitment in the current sub-phase requires drilling of 1 exploration well by December 2010

SC51 contains the Argao (offshore) and San Isidro (onshore) prospects which are drill-ready opportunities. Otto is actively seeking partners to participate in drilling either of these prospects. The Philippines Department of Energy has recently reconfirmed that the well commitment in the current work sub-phase of SC-51 can be satisfied by the drilling of an onshore or offshore well.

#### Service Contract 69

- OEL (through its wholly-owned subsidiary NorAsian Energy Phils Inc) 70% Interest and Operator
- Area 7,040 km<sup>2</sup>
- Work commitment in the current sub-phase completed

Processing of the 900km of 2D seismic data in the block acquired during the first quarter, commenced in April 2010. Completion of the processing effort is expected in July

## EXPLORATION ASSETS (CONTINUED)

### CORPORATE

#### SHAREHOLDERS

Otto's issued capital as at 30 June 2010

Class	Number
Fully paid ordinary shares	1,072,684,721
Unlisted Options <sup>1</sup>	116,605,350

<sup>1</sup> Exercisable between 5 and 60 cents per share. 61,855,350 unlisted options were exercised at 5 cents on 2 July 2010, taking the issued capital to 1,134,540,071 fully paid issued shares.

#### TOP 20 SHAREHOLDERS AS AT 2 JULY 2010

Rank	Name	Units	% of Units
1	MOLTON HOLDINGS LTD	241,910,757	21.3%
2	SANTO HOLDING AG	241,910,757	21.3%
3	ANZ NOMINEES LIMITED <CASH INCOME A/C>	34,003,429	3.0%
4	CITICORP NOMINEES PTY LIMITED	28,506,666	2.5%
5	NATIONAL NOMINEES LIMITED	31,139,332	2.7%
6	CABLE NOMINEES PTY LTD	19,666,934	1.7%
7	JOHN JETTER (CONSOLIDATED RELEVANT INTEREST)	19,089,175	1.7%
8	RICK CRABB (CONSOLIDATED RELEVANT INTEREST)	16,995,052	1.5%
9	ESCOR INVESTMENTS PTY LTD	15,000,000	1.3%
10	JAAP POLL (CONSOLIDATED RELEVANT INTEREST)	14,794,206	1.3%
11	YRS INVESTMENTS LIMITED	13,520,833	1.2%
12	J P MORGAN NOMINEES AUSTRALIA LIMITED	15,538,713	1.4%
13	DALY FINANCE CORP	8,150,000	0.7%
14	ESCOT FINANCE LTD	8,150,000	0.7%
15	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	10,174,756	0.9%
16	JOHN ZADNIK (CONSOLIDATED RELEVANT INTEREST)	6,757,747	0.6%
17	IAN MACLIVER (CONSOLIDATED RELEVANT INTEREST)	6,306,942	0.6%
18	RBC DEXIA INVESTOR SERVICES AUSTRALIA NOMINEES PTY LIMITED <MLCI A/C>	5,409,655	0.5%
19	WILLIAM TAYLOR NOMINEES PTY LTD	5,400,000	0.5%
20	FORBAR CUSTODIANS LIMITED <FORSYTH BARR LTD-NOMINEE A/C>	5,221,986	0.5%

<b>TOTAL TOP 20 SHAREHOLDERS</b>	<b>747,646,940</b>	<b>65.9%</b>
TOTAL REMAINING SHAREHOLDERS	386,893,131	34.1%
<b>TOTAL SHARES ON ISSUE</b>	<b>1,134,540,071</b>	<b>100.0%</b>

## ESTIMATED CASH OUTFLOWS

Otto's free cash reserves at the end of the quarter were \$24.435 million (March: \$23.011 million). This excludes \$9.721 million (US\$8.283 million) remaining in escrow to fund the SC 55 seismic acquisition and processing and A\$3.1m received from exercise of underwriting options on 2 July 2010.

Expected cash outflows in the coming quarter are as follows:

	Sept 2010 Quarter A\$m Forecast	June 2010 Quarter A\$m Actual	March 2010 Quarter A\$m Actual	December 2009 Quarter A\$m Actual
Philippines				
• SC 14C	1.6	-	-	-
• SC 50	-	-	-	-
• SC 51	0.1	0.02	-	-
• SC 55 <sup>(1)</sup>	0.7	0.26	3.2	0.1
• SC 69	0.1	0.97	0.5	-
Turkey	1.5	1.84	0.8	0.5
Italy	-	-	-	0.0
Argentina	-	-	-	0.1
Administration	1.4	1.4	1.8	1.5
Total	5.4	4.49	6.3	2.3

<sup>(1)</sup> Excludes \$8.084 million (US\$6.889 million) spent on acquisition and processing of the 1,800 km<sup>2</sup> 3D seismic in SC 55 in the quarter.



# Appendix 5B

## Mining exploration entity quarterly report

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

Name of entity

**OTTO ENERGY LIMITED**

ABN

56 107 555 046

Quarter ended ("current quarter")

30 June 2010

### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for		
(a) exploration and evaluation		
Excluding 1,800km <sup>2</sup> SC55 seismic	(3,087)	(13,038)
1,800km <sup>2</sup> SC55 seismic	(7,655)	(13,019)
(b) development	-	-
(c) production	-	-
(d) administration	(1,404)	(6,776)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	-	-
1.5 Interest and other costs of finance paid	-	(4)
1.6 Tax expenses	-	-
1.7 Other – Recharge income	298	667
Other – Seismic Acquisition Contribution	-	21,858
<b>Net Operating Cash Flows</b>	<b>(11,848)</b>	<b>(10,312)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:		
(a) prospectus	-	-
(b) equity investments	-	-
(c) other fixed assets	(123)	(224)
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	6,850	33,145
1.12 Other – Loans to associated entities	-	-
<b>Net investing cash flows</b>	<b>6,727</b>	<b>32,921</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(5,121)</b>	<b>22,609</b>

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**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(5,121)	22,609
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	(2)	(14)
1.18	Loan to Employee	101	101
1.19	Costs associated with issue of shares	(2)	(31)
	<b>Net financing cash flows</b>	97	56
	<b>Net increase (decrease) in cash held</b>	(5,024)	22,665
1.20	Cash at beginning of quarter/year to date	39,593	13,062
1.21	Exchange rate adjustments to item 1.20	(413)	(1,571)
1.22	<b>Cash at end of quarter <sup>(1)</sup></b>	34,156	34,156

<sup>(1)</sup> Includes \$9.721 million held in escrow.

**Payments to directors of the entity and associates of the directors**  
**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2 and 1.7	173
1.24	Aggregate amount of loans to the parties included in item 1.10	-
1.25	Explanation necessary for an understanding of the transactions	
	Payments of Directors Fees	110
	Payments to Director Related Companies	63

**Non-cash financing and investing activities**

2.1	Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows	Nil
2.2	Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest	Nil

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### Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available \$'000	Amount used \$'000
3.1	Loan facilities	Nil	Nil
	Loan facilities	Nil	Nil
3.2	Credit standby arrangements	Nil	Nil

### Estimated cash outflows for next quarter

		\$A'000
4.1	Exploration and evaluation	3,800
4.2	Development	1,600
<b>Total</b>		<b>5,400</b>

### 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	33,970	39,407
5.2	Deposits at call		-
5.3	Bank overdraft		-
5.4	Other – Term Deposit	186	186
<b>Total: cash at end of quarter (item 1.22)</b>		<b>34,156</b>	<b>39,593</b>

### Changes in interests in mining tenements

		Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	Nil	None		
6.2	Interests in mining tenements acquired or increased	Nil	None		

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**Appendix 5B**  
**Mining 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) (cents)	Amount paid up per security (see note 3) (cents)
7.1	<b>Preference securities</b> <i>(description)</i>	Nil	Nil		
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	Nil	Nil		
7.3	<b>+Ordinary securities</b>	1,072,684,721	1,072,684,721		
7.4	Changes during quarter (a) - Increases through issues	2,500,000	2,500,000	\$0.0001 cents (converted into shares following achievement of conversion milestone)	\$0.0001 cents (converted into shares following achievement of conversion milestone)
	(b) Decreases through returns of capital, buy-backs	Nil	Nil		
7.5	<b>+Convertible debt securities</b> <i>(description)</i>	Nil	Nil		
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	Nil	Nil		

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**Appendix 5B**  
**Mining exploration entity quarterly report**

7.7	<b>Options</b> <i>(description and conversion factor)</i>	116,605,350 Unlisted	Nil	4,000,067 Exercise Price \$0.20	On or before 29 May 2011
				3,999,967 Exercise Price \$0.30	On or before 29 May 2011
				1,999,966 Exercise Price \$0.40	On or before 29 May 2011
				7,750,000 Exercise Price \$0.30	On or before 17 Dec 2010
				11,000,000 Exercise Price \$0.30	On or before 25 Jan 2011
				1,500,000 Exercise Price \$0.35	On or before 10 Apr 2012
				2,500,000 Exercise Price \$0.60	On or before 01 Aug 2012
				2,000,000 Exercise Price \$0.60	On or before 15 Dec 2010
				61,855,350 Exercise Price \$0.05	On or before 3 July 2010
				7,500,000 Exercise Price \$0.12	On or before 30 June 2014
7.8	Issued during quarter	6,500,000 Unlisted	Nil	1,000,000 Exercise Price \$0.12	On or before 19 January 2013
				5,500,000 Exercise Price \$0.12	On or before 16 February 2013
7.9	Exercised during quarter	Nil	Nil	Nil	Nil
7.10	Expired during quarter	Nil	Nil	Nil	Nil
7.11	<b>Debentures</b> <i>(totals only)</i>	Nil	Nil	Nil	Nil
7.12	<b>Unsecured notes</b> <i>(totals only)</i>	Nil	Nil	Nil	Nil
	<b>Performance Based Shares</b>	Nil	Nil	Nil	Nil

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**Appendix 5B**  
**Mining exploration entity quarterly report**

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Changes during quarter (a) Expired	2,500,000	2,500,000	(converted into shares following achievement of conversion milestone)	(converted into shares following achievement of conversion milestone)
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**Compliance statement**

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.

Paul Moore  
Chief Executive Officer  
29 July 2010

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## Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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