

Quarterly Report for the Period Ended 30 June 2016

Highlights

- SM71 #1 well, in the Gulf of Mexico, encountered hydrocarbons in four separate sands.
- Independent reserves report, from Collarini Associates, attributes 2P reserves of 2,272 MBOE in SM71 net to Byron.
- Otto Energy Limited ("Otto") has acquired an option, by paying back costs, to earn a 45% working interest in Bivouac Peak by paying 66.67% of Byron's share of the initial exploration well drilling costs.
- Metgasco Limited ("Metgasco") has advised of its intention to acquire an option to farm in to Byron's Bivouac Peak project, by paying back costs, to earn a 10% working interest in Bivouac Peak by paying 13.33% of the initial exploration well drilling costs.
- Byron announced a Heads of Agreement with Metgasco in relation to an issue of a Convertible Note for \$A8 million, providing Byron with funding for the SM 71 project and general corporate purposes, formalised subsequent to the end of the quarter through execution of definitive agreements.
- Having thoroughly evaluated both the mechanical and geological risks associated with continuing drilling operations in the SM6 #2 well, Byron has decided to plug and abandon the section of the SM6 #2 well below the F Sands.

Name:	Byron Energy Limited
ASX code:	BYE
Shares on issue:	235.0 million
Quoted shares:	235.0 million
Options on issue (unquoted):	40.6 million
Cash at 30 June 2016:	US\$0.9 million
Market Capitalisation at 30 June 2016	A\$30.55 million (@A\$0.13 per share)

Directors

Doug Battersby (Non-Executive Chairman)
 Maynard Smith (Chief Executive Officer)
 Prent Kallenberger (Chief Operating Officer)
 Charles Sands (Non-Executive Director)
 Paul Young (Non-Executive Director)
 William Sack (Executive Director)

Company Secretary and Chief Financial Officer

Nick Filipovic

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Corporate

Reserves

Subsequent to the end of the June quarter, on 25 July 2016, Byron released its annual independent reserves and resources report prepared by Collarini Associates ("Collarini"), based in Houston, Texas, USA.

The combined reserves and resources, net to Byron, are:

Byron Energy Limited - Reserves and Resources (Net to Byron)			
Gulf of Mexico, Onshore Louisiana, USA			
June 30, 2016	Oil (MBBL)	Gas (MMCF)	MBOE (6:1)
Reserves (Undeveloped)			
Proved (1P)	582	404	649
Probable Reserves	1,797	1,627	2,068
Proved and Probable (2P)	2,379	2,031	2,718
Possible Reserves	968	1,065	1,146
Proved, Probable and Possible (3P)	3,347	3,096	3,863
Contingent Resource			
CR1C	19	9,407	1,587
CR2C	151	41,780	7,114
CR3C	52	22,467	3,797
Total Contingent Resource	222	73,654	12,498
Total Prospective Resource			
Best Estimate (Unrisked)	20,180	333,359	75,740

Reserves - The aggregate 1P may be a very conservative estimate and the aggregate 3P may be a very optimistic estimate due to the portfolio effects of arithmetic summation

Conversion to boe - MBBL = thousand barrels; MMCF = million cubic feet; MBOE = thousand barrels of oil equivalent ("BOE") with a BOE determined using a ratio of 6,000 cubic feet of natural gas to one barrel of oil - 6:1 conversion ratio is based on an energy equivalency conversion method and does not represent value equivalency

Prospective Resource - The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons

For further details on the Company's reserves and resources refer to the Company's ASX announcement dated 25 July 2016.

Corporate (Cont.)

Development Funding from Metgasco for SM 71

On 9 June 2016 Byron announced that it had executed a Heads of Agreement (“HOA”) with Metgasco covering the raising of SM 71 development funding and related matters. In summary, the key elements of the HOA are:-

- Byron to raise up to \$A8 million through an issue of a Convertible Note to Metgasco, providing Byron with funding for SM 71 project development and working capital;
- As part of the transaction, Byron will issue 10 million unlisted options to Metgasco with an exercise price of \$A0.25 with a three year term;
- Byron will grant Metgasco an option to acquire a 10% Working Interest in Byron’s Bivouac Peak project in consideration for Metgasco funding a disproportionate share of the costs of the first well and reimbursing part of Byron’s past costs;
- Metgasco will be granted an opportunity to participate in future Byron projects; and
- The transaction is subject to documentation and approval by Byron’s shareholders.

As announced on 22 July 2016, definitive agreements were signed with Metgasco. For additional information on the transaction with Metgasco, refer to the Company’s ASX announcements dated 9 June 2016 and 22 July 2016.

Loan from a Director

In July 2016, Veruse Pty Ltd (“Veruse”) a company controlled by Mr Douglas Battersby, a director of the Company, entered into a loan agreement with the Company whereby Veruse agreed to lend the Company A\$650,000 at an interest rate of 10% per annum. The loan is unsecured and repayable by 31 December 2016.

Other funding initiatives

The Company continues to pursue other funding initiatives, aimed at sourcing capital to fund its activities in the shallow waters of the Gulf of Mexico.

Issued Capital

As at 30 June 2016, Byron’s issued capital comprised:-

Securities	Total issued	Quoted	Unquoted
Shares (ASX:BYE)	235,056,378	235,056,378	Nil
Options	40,645,984	Nil	40,645,984

Projects Update

Salt Dome Projects

At 30 June 2016, Byron held acreage over three salt domes in the shallow waters of the Gulf of Mexico, USA (“GOM”), comprising South Marsh Island 6, Eugene Island 63/76 and South Marsh Island 70/71.

South Marsh Island 70/71

South Marsh Island Blocks 70/71 (“SM70/71”) covers a portion of a large piercement salt dome which has previously produced 75 million barrels of oil from sands above 7,500 feet true vertical depth with production commencing in 1963. There is no current production from SM70 or SM71.

Projects Update (Cont.)

In late March 2016, Otto exercised its option, under the Participation Agreement (“PA”) with Byron, to participate in the drilling of Byron Energy South Marsh Island 71 #1 (“SM71 #1) well, located offshore Louisiana, 250 km southwest of New Orleans, Louisiana, USA, in water depth of approximately 131 feet (40 metres).

The Hercules Rig 205 arrived on location on 29 March 2016 and the SM71 #1 well spudded on 3 April, 2016 (USA time) with a planned total depth (“TD”) of approximately 7,452 feet measured depth (2,271 metres) and a vertical depth of 6,900 feet (2,103 metres).

SM 71 #1 well was drilled during April. In early May 2016, SM 71 #1 well reached a final depth of 7,477 feet measured depth/6,915 feet true vertical depth.

Based on porosity logs, SM 71 #1 encountered 132 feet of True Vertical Thickness (“TVT”) net oil pay in three upper zones as follows:-

I3 Sand	17 feet TVT Net Oil Pay (28 metres)
J Sand	24 feet TVT Net Oil Pay (7 metres)
D5 Sand	91 feet TVT Net Oil Pay (91 metres)

7 5/8” casing was run and cemented to a depth of 6,820 feet measured depth/6,417 feet true vertical depth.

Based on the results for I3 Sand, J Sand and the D5 Sand, the joint venture partners, Byron and Otto, decided to drill and additional 600 feet (182 metres) to the original planned TD of the SM71 #1 well to ensure the entire package of D5 Sand lobes were tested. The D6 Sand, a secondary pre-drill target, below the D5 Sand, was also be evaluated by deepening of the well.

On 2 May 2016 Byron announced the well had been deepened, to the predrill planned total depth of 7,477 feet measured depth/6,915 feet true vertical depth and wireline logs were run over the deeper portion of the well. The processed open hole porosity logs from this deepened section of the well indicated the presence of a very high porosity gas or gas condensate reservoir from 7,212 feet to 7,226 feet measured depth.

The deeper portion of the well encountered a 19 foot TVT hydrocarbon bearing sand, adding to the previously 132 feet TVT net oil pay in I3 Sand, J Sand and the D5 Sand zones.

A 5” liner was run and cemented in place over the deeper portion of the SM71 #1 well. SM71 #1 was mud line suspended for future production.

Under the PA, Otto paid Byron for past sunk costs plus a disproportionate share of the SM71 #1 drilling cost to earn its 50% in the project which was generated by Byron.

On 7 July 2016, Byron announced the independent reserves estimate for the Company’s recent oil discovery on SM 71. The independent reserves estimates were prepared by Collarini.

Byron’s share of net reserves and prospective resources for SM 71 is shown in the table below. Byron is the operator of SM 71 with a 50% working interest and a 40.625% net revenue interest in the project. Otto owns the remaining interest in SM 71.

South Marsh Island 71 30 June 2016	Gross		Net to Byron		Net to Byron
	Oil (MBBL)	Gas (MMCF)	Oil (MBBL)	Gas (MMCF)	MBOE (6:1)
1P - Proved	1,432	994	582	404	649
2P: 1P + Probable	4,992	3,601	2,028	1,463	2,272
3P: 2P + Possible	6,321	4,518	2,568	1,836	2,874
Prospective Resources	5,027	4,896	2,042	1,989	2,374

Prospective Resource - The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons

Salt Dome Projects (cont)

For further information, in relation to the SM 71 reserves, refer to the Company's ASX announcement dated 25 July 2016.

South Marsh Island Block 6

South Marsh Island Block 6 ("SM6") is located offshore Louisiana, in the shallow waters of the GOM, 216km southwest of New Orleans in approximately 65 feet (20 metres) of water. Byron owns a 100% working interest and an 81.25% net revenue interest in the block.

SM6 covers a portion of a salt dome that has previously produced 18.6 million barrels of oil and 37.1 bcf of gas from this block commencing in 1962. There is currently no production from SM6.

As previously reported, Byron spudded the Byron Energy SM6 #2 ("SM6 #2") well on 16 February 2016.

After encountering three hydrocarbon bearing sands in the F zone sands the SM6 #2 well experienced drilling difficulties with the drill pipe becoming stuck just below casing. Having tried, without success, to free the stuck pipe Byron commenced drilling a bypass well, the SM6 #2 BP01 well. At a depth of 8,085 feet measured depth, 40 feet below the depth of the SM6 #2 original hole, the drilling assembly became stuck. After continuous attempts to free the stuck drill pipe over the course of the next 36 hours, the drill pipe remained irretrievably stuck. Consequently, the decision was made to temporarily abandon the well, with the operation to temporarily abandon the well bore completed on Monday, March 28 2016 USA Central Standard Time and the rig mobilized to South Marsh Island 71 to drill the SM71 #1 well.

During the June quarter Byron undertook post well studies of engineering, drilling and geology to understand what, if any, options are available regarding future utility of the wellbore.

On July 7 2016 Byron announced that having thoroughly evaluated both the mechanical and geological risks associated with continuing drilling operations in the SM6 #2 well, Byron has decided to plug and abandon the section of the SM6 #2 well below the F Sands.

As reported on 7 July 2016, due to increased risk and expense from higher than expected pressure encountered while drilling the SM6 #2 well in 2016 and possible mechanical issues with that wellbore, the Company decided not to attempt to re-enter the well and attempt to continue drilling to the primary target G 20 Sand target. Byron has re-assessed the status of the SM6 project based solely on the net hydrocarbon pay intersected in the F Sands in the SM6 #1 BP02 and SM6 #2 wells and is in the process of evaluating the future economics of producing the hydrocarbons logged in the F Sands in Byron's earlier well. Consequently, the SM 6 reserves and prospective resources previously attributed to SM 6 have been removed from the Company's 2016 Reserves and Resources report, released on 25 July 2016, pending a final decision.

This decision to remove the SM 6 reserves and prospective resources from the Company's reserves and resources statement as at 30 June 2016, is expected to result in a non-cash impairment charge of approximately \$US27.0 million for the year ended 30 June 2016, subject to finalisation of SM6 #2 well costs and the year end accounting and audit process.

Other Salt Dome Projects

No exploration activity was undertaken on the Company's EI 63/76 salt dome project, during the quarter.

During the quarter, Byron relinquished GI 63/72/73 following a thorough review of the seismic data over these blocks. This will result in an impairment charge of approximately \$US1.0 million.

Non-Salt Dome Projects

Bivouac Peak Leases

Bivouac Peak comprises an onshore/marshland lease, acquired from private landowners, over approximately 2,500 contiguous acres (9.7 square kilometres) along the southern Louisiana Gulf Coast inboard of Byron's existing shallow water projects in the Federal Outer Continental Shelf ("OCS") leasing areas. The Bivouac Peak acquisition was announced on 5 November 2015 as a significant addition to Byron's position in the highly productive transitional zone comprising the northernmost shallow waters of the Federal Gulf Of Mexico Shelf, Louisiana State Waters, and onshore coastal Louisiana.

High quality 3D seismic data has been used to define gross prospective resource potential of 15,990 Mbo and 177,666 Mmcf on Byron's Bivouac Peak leases. An initial test well is planned at Bivouac Peak in 2017 which will expose the Company to 10,818 MBOE (net). Byron currently holds a 90% working Interest (67.05% Net Revenue Interest) at Bivouac Peak.

As previously announced, Byron's Bivouac Peak 90% Working Interest ("WI") is subject to a promoted farm-in by both Otto and Metgasco. Both companies currently have the option to earn a working interest, Otto 45% WI and Metgasco 10% WI, in the Bivouac Peak lease by electing to participate in the initial well and paying their disproportionate share of drilling costs and drilling to a specified earning depth. If both companies elect to participate, and upon earning, Byron's working and net revenue interest would be reduced proportionately.

Byron's share of net prospective resources, as estimated by Collarini, for Bivouac Peak is shown in the table below. Bivouac Peak Prospective Resource has increased from 6.2 MMbo and 69.2 Bcf, net to Byron, at time of initial release of Prospective Resource for the project (BYE ASX release dated 5 November 2015, based on Byron's internal estimate) to 10.7 MMbo and 119.2 Bcf, net to Byron, as at 30 June 2016, based on estimates by Collarini Associates, before exercise of options by Otto and Metgasco, if any. The increase is mainly due to additional 3D seismic data licensed and evaluated over the Bivouac Peak lease area (for additional information on Bivouac Peak Prospective Resources refer to the Company's ASX announcement dated 25 July 2016).

Bivouac Peak 30 June 2016	Gross		Net to Byron		Net to Byron
	Oil (MBBL)	Gas (MMCF)	Oil (MBBL)	Gas (MMCF)	MBOE (6:1)
Prospective Resources	15,990	177,666	10,722	119,124	30,576

Prospective Resource - The estimated quantities of petroleum that may potentially be recovered by the application of a future development project(s) relate to undiscovered accumulations. These estimates have both an associated risk of discovery and a risk of development. Further exploration appraisal and evaluation is required to determine the existence of a significant quantity of potentially moveable hydrocarbons

Byron's net share of prospective resources, based on its current Net Revenue Interest ("NRI") of 67.05% is shown in the table above. Should both Otto and Metgasco exercise their options Byron's interest in the Bivouac Peak leases would reduce to 35% WI and 26.075% NRI, resulting in net prospective resources (net to Byron) of 4,169 Mbbl and 46,326 MMcf. No exploration activity was undertaken on Bivouac Peak project during the quarter.

Grand Isle Block 95

Byron has a 100% working interest in a non-salt dome project comprising Grand Isle Block 95 ("GI 95"). No exploration activity was undertaken on GI 95 during the quarter.

Eugene Island Block 18

Byron has a 100% working interest in Eugene Island Block 18 ("EI 18"), a non-salt dome project in 10 feet (3 metres) of water, approximately 50 miles (81 kilometres) south of Morgan City, Louisiana. No exploration activity was undertaken on EI 18 during the quarter.

Properties

As at 30 June 2016, Byron's portfolio of properties, all in the shallow waters of the Gulf of Mexico, offshore Louisiana, USA comprised:-

Properties	Operator	Interest WI/NRI* (%)	Lease Expiry Date	Area (Km ²)
South Marsh Island Block 6#	Byron	100.00/81.25	December 2016**	20.23
South Marsh Island Block 70##	Byron	50.00/40.625	July 2017	22.13
South Marsh Island Block 71##	Byron	50.00/40.625	July 2017	12.16
Eugene Island Block 18	Byron	100.00/78.75	April 2020	2.18
Eugene Island Block 63	Byron	100.00/81.25	May 2018	20.23
Eugene Island Block 76	Byron	100.00/81.25	May 2018	20.23
Grand Isle Block 95	Byron	100.00/79.75	September 2017	18.37
Transition Zone (Offshore Louisiana) Bivouac Peak ##	Byron	90.00/67.05	September 2018	9.70

* Working Interest ("WI") and Net Revenue Interest ("NRI"). The WI and NRI percentages in respect to SM70 and SM71 are post the Otto Energy Limited ("Otto") earn-in. The WI and NRI for Bivouac Peak are before Otto and Metgasco Limited ("Metgasco") earn any WI and NRI.

** Subject to Byron complying with the terms of the Suspension of Operations which expire on 31 December 2016.

Because the SM6 #2 well failed to reach the base of the G 20 Sand Byron's partner, Otto, did not earn an interest in the SM6 lease; Otto does retain the right to earn an interest in the SM6 lease by participating in any potential future SM6 Substitute Well, and satisfying the terms of the Participation Agreement between Byron and Otto.

Otto has elected to earn a 50% working interest in Byron's SM70/71 leases. Consequently, Byron's interest in these leases has reduced to 50%/40.625% respectively. Since the end of the June 2016 quarter Otto has acquired an option to earn a 45% working interest in Byron's Bivouac Peak leases. If Otto earns its interest Byron's interest in Bivouac Peak will decline to 45%/33.525%. As announced on 9 June 2016, Byron has also granted, Metgasco the right to acquire an option to farm in to Byron's Bivouac Peak prospect for a 10% working interest (out of Byron's 45% working interest). On 28 July, 2016 Metgasco advised of its intention to acquire an option to farm in to Byron's Bivouac Peak prospect for a 10% working interest. If both Otto and Metgasco earn into the project, Byron's working interest and net revenue interest will reduced to 35% and 26.075% respectively.

Competent Person's Statement

The information in this report that relates to oil and gas reserves and resources was compiled by technical employees of independent consultants Collarini and Associates, under the supervision of Mr Mitch Reece BSc PE. Mr Reece is the President of Collarini and Associates and is a registered professional engineer in the State of Texas and a member of the Society of Petroleum Evaluation Engineers (SPEE), Society of Petroleum Engineers (SPE), and American Petroleum Institute (API). The reserves and resources included in this report have been prepared using definitions and guidelines consistent with the 2007 Society of Petroleum Engineers (SPE)/World Petroleum Council (WPC)/American Association of Petroleum Geologists (AAPG)/Society of Petroleum Evaluation Engineers (SPEE) Petroleum Resources Management System (PRMS). The reserves and resources information reported in this Statement are based on, and fairly represents, information and supporting documentation prepared by, or under the supervision of, Mr Reece. Mr Reece is qualified in accordance with the requirements of ASX Listing Rule 5.41 and consents to the inclusion of the information in this report of the matters based on this information in the form and context in which it appears.

Reserves Cautionary Statement

Oil and gas reserves and resource estimates are expressions of judgment based on knowledge, experience and industry practice. Estimates that were valid when originally calculated may alter significantly when new information or techniques become available. Additionally, by their very nature, reserve and resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional drilling and analysis, the estimates are likely to change. They may result in alterations to development and production plans which may, in turn, adversely impact the Company's operations. Reserves estimates and estimates of future net revenues are, by nature, forward looking statements and subject to the same risks as other forward looking statements.

LR 5.43.2

The reserves and resources referred to in this Quarterly Report for the Period Ended 30 June 2016 were reported on 25 July 2016 (refer to the Company's ASX announcement dated 25 July 2016).

The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcement and that all the material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially

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

Byron Energy Limited

ABN

88 113 436 141

Quarter ended ("current quarter")

30 June 2016

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$US'000	Year to date (12 months) \$US'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation (b) development (c) production (d) administration	(6,990) (121) - (468)	(14,934) (227) - (2,032)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	1	8
1.5 Interest and other costs of finance paid	(3)	(101)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material) - Refundable Security deposits - Cash contribution from farminee	300 4,825	(950) 10,157
Net Operating Cash Flows	(2,456)	(8,079)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets	- - -	(327) - -
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)	-	-
Net investing cash flows	-	(327)
1.13 Total operating and investing cash flows (carried forward)	(2,456)	(8,406)

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Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(2,456)	(8,406)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	3,454
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other - equity raising expenses	-	(161)
	Net financing cash flows	-	3,293
	Net increase (decrease) in cash held	(2,456)	(5,113)
1.20	Cash at beginning of quarter/year to date	3,348	5,970
1.21	Exchange rate adjustments to item 1.20	(9)	26
1.22	Cash at end of quarter	883	883

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

		Current quarter \$US'000
1.23	Aggregate amount of payments to the parties included in item 1.2	164
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

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

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

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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*	-	-
3.2 Credit standby arrangements	-	-

*On 9 June 2016 Byron announced that it had executed a Heads of Agreement with Metgasco Limited ("Metgasco") (ASX: MEL) to raise up to \$A8 million through an issue of a Convertible Note to Metgasco, providing Byron with funding for SM 71 project development and general corporate purposes. On 22 July 2016 Byron announced that definitive agreements had been signed with Metgasco, subject only to Byron shareholder approval at an EGM to be held in early September 2016.

*In July 2016, Veruse Pty Ltd ("Veruse") a company controlled by Mr Douglas Battersby, a director of the Company, entered into a loan agreement with the Company whereby Veruse agreed to lend the Company A\$650,000 at an interest rate of 10% per annum. The loan is unsecured and repayable by 31 December 2016.

Estimated cash outflows for next quarter#

	\$US'000
4.1 Exploration and evaluation#	1,550
4.2 Development	100
4.3 Production	-
4.4 Administration	550
4.5 Other (refund of security deposits)	(175)
Total#	2,025

#Includes Byron's exploration expenditure net of (i) cash contributed by the farminee, and (ii) past costs reimbursed by the farminee, where applicable

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 \$US'000	Previous quarter \$US'000
5.1 Cash on hand and at bank	883	3,348
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	883	3,348

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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	Gulf of Mexico, USA (Offshore Louisiana)			
	South Marsh Island 70 and 71	Reduced via farm-out	100%	50%
	Grand Isle 63,72 & 73	Relinquished	100%	0%
6.2 Interests in mining tenements and petroleum tenements acquired or increased	-	-	-	-

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 Preference securities (description)	Nil			
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 *Ordinary securities	235,056,378	235,056,378		
7.4 Changes during quarter (a) Increases through issues of (i) released from escrow (ii) placement (iii) loan to equity conversions				

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

	(b) Decreases through returns of capital, buy-backs				
7.5	+Convertible debt securities <i>(description)</i>	Nil			
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options <i>(description and conversion factor)</i>	36,995,984	Nil	<i>Exercise price</i> \$A0.50	<i>Expiry date</i> 31 December 2016
		1,700,000	Nil	\$A0.65	30 September 2017
		1,950,000	Nil	\$A0.25	30 September 2018
7.8	Issued during quarter	Nil	Nil		
7.9	Exercised during quarter	Nil	Nil		
7.10	Expired during quarter	Nil	Nil		
7.11	Debentures <i>(totals only)</i>	Nil			
7.12	Unsecured notes <i>(totals only)</i>	Nil			

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.

Sign here: 
 (Company secretary)

Date: 29 July 2016.

Print name: Nick Filipovic

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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 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.

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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