Sacgasco Limited
ABN 83 114 061 433
Unit 14, 210 Bagot Road, Subiaco, WA, 6008.
T +61 8 9388 2654 E info@sacgasco.com

Announcement to ASX **28 April 2017**

March 2017 Quarterly Activity Report

- **Acquisition of Peregrine increased working interests in multi-Tcf prospects - Dempsey Project from 55% to 90%; and Alvares Appraisal Project from 40% to 75%**
- **Farm-out agreement signed with Bombora Natural Energy Pty Ltd for the drilling of Dempsey Project in Q2 2017**
- **Acquisition of 18 additional operated natural gas wells in the Sacramento Basin of California – Sacgasco now a Top-3 natural gas producer in the Basin**
- **Sacgasco's well portfolio now stands at 25 with 10 currently in production – opportunity to bring additional wells back into production rapidly**
- **New Share Option conversion raised ~$228,000**
- **$1.7 million Share Placement to London Institutions, International and Australian sophisticated investors.**
- **Sacgasco's capital structure remains conservative with ~197 million shares on issue**
- **Appointment of Philip Haydn-Slater as London-based Non-Executive Director further strengthens Board**
- **Californian natural gas consumption equivalent to circa 2.25 times the entire output of Australia's NW Shelf LNG plants – California produces less than 10% of their gas requirement.**

Sacramento Basin-focused natural gas developer and producer Sacgasco Limited (ASX: SGC) ("Sacgasco" or "the Company") is pleased to provide its Quarterly Activities Report for the period ended 31 March 2017.

The March Quarter was a transformational period for Sacgasco, with a number of key corporate and operational milestones achieved, further strengthening Sacgasco's position as one of the leading Natural Gas operators in California's world-class Sacramento Basin.

A key catalyst was the completion of an agreement to acquire an additional 35% equity in, and Operatorship of the Dempsey and Alvares Projects through the acquisition of private company Peregrine Limited ('Peregrine').

Furthermore, Sacgasco also signed a farm-out agreement ('farm-out') with Bombora Natural Energy Pty Ltd ('BNE') for the drilling of the Dempsey Gas Project.

MANAGEMENT COMMENTARY – QUARTER IN REVIEW

SGC's Managing Director Gary Jeffery commented: "The key outcomes achieved during the March quarter are reflective of the Company's resilient mindset and commitment towards building a leading Natural Gas production business in one of the world's most attractive energy markets.

Following the acquisition of Peregrine Ltd, a strategic farm-out agreement with BNE was executed in regards to the drilling of the 1+Tcf Dempsey Project – which maps out a clear pathway to have the exploration and appraisal well drilling by mid-year.

Sacgasco now holds the majority working interest, and operatorship, of two drill-ready, multi-Tcf natural gas projects, with a growing low-cost production profile close to key infrastructure on the doorstep of one of the largest energy markets in North America.

With the proposed drilling of the Dempsey Project this quarter, the Board has continued to strategically diversify and de-risk the Company's asset base, while signing a separate farm-out agreement with BNE in regards to the 2.4+Tcf Alvares Project.

In line with Sacgasco's diversification and value creation plans, 18 additional natural gas wells and associated infrastructure have been purchased this year. Importantly, these highly complementary production assets not only provide capacity to scale up production from multiple shallow wells and prospects, some have potential to host Tcf–scale natural gas prospects.

We are continuing to assess a number of value accretive funding options in regards to fast-tracking the development of our world-class Sacramento Basin portfolio, and the Company looks forward to providing shareholders with updates on further asset acquisitions and leasing in the near-term."

KEY MARCH QUARTER DEVELOPMENTS

Acquisition of Additional Equity and Operatorship of Key Natural Gas Projects

In January, Sacgasco closed an agreement to acquire additional equity and to secure Operatorship at its flagship Dempsey and Alvares natural gas projects in the Sacramento Basin, California.

Consistent with its related announcement dated 31 October 2016, Sacgasco acquired an additional 35% equity in, and Operatorship of its flagship Dempsey and Alvares Projects through the acquisition of private company Peregrine Limited ('Peregrine'). As consideration Sacgasco has issued 32 million fully paid shares to Peregrine shareholders.

Upon success at Dempsey, Sacgasco will pay Peregrine a bonus payment of $3 million derived from future revenue from gas sales from reservoirs beneath the producing Forbes Formation. Such cash flow will be net of royalties and lease level costs attributable to 17.5% working interest (50% of acquired WI) in the first Dempsey Project well.

Consequently Working Interests ("WI") in the planned Dempsey-1 well are:

	Current WI	New WI
Sacgasco	55%	90% (Operator)
Xstate Resources	10%	10%
Peregrine	35% (Operator)	0% (Shareholders)

While WI in the first well to be drilled on the Alvares Project are:

	Current WI	Resultant WI
Sacgasco	40%	75% (Operator)
Xstate Resources	25%	25%
Peregrine	35% (Operator)	0% (Shareholders)

Dempsey Project Farm-out and Leasing Update

Post quarter end, Sacgasco signed a revised farm-out agreement with BNE for the Dempsey Project located in the Sacramento Basin, onshore California. The revised agreement follows the signing of an initial farm-out agreement with BNE in January.

The Company plans to undertake a 3,200 metre (~10,500 feet) combined appraisal and exploration well (Dempsey-1) in the second quarter of 2017.

BNE will earn 10% Working Interest ('WI') by funding 20% of the Dempsey-1 well program to a gross well cost cap (the "Cost Cap") of approximately $5.2 million. All expenditure by BNE on the Dempsey well program in excess of the Cost Cap would be at its pro rata earned Working Interest.

The revised terms are for a smaller percentage of funding, but on better terms and Sacgasco is confident the balance of the equity from the originally announced farm-out (a further 10% WI) will in turn attract more favourable terms than the original farm-out. The revised terms include the payment of a non-refundable cash deposit of A$270,000 by early May 2017 and payment of the balance of drilling funds by 2 June 2017.

Revised Post Farm-in Working Interests in the Dempsey Gas Project are:

- Sacgasco Limited (ASX: SGC) (Operator) 80%
- Xstate Resources Limited (ASX: XST) 10%
- Bombora Natural Energy Pty Ltd (BNE) 10%

Sacgasco expects to provide in the near future further updates on the progress of additional farm-out discussions which are well advanced. Sacgasco is expecting to retain a working interest of around 50% after providing funding of around 25%, which is within its anticipated funding capacity.

Leasing on additional mapped prospects is proceeding well. Details will not be announced until leasing is complete to preserve Sacgasco's intellectual property and while maintaining its competitive advantage.

Strategic Acquisition of Additional Gas Wells, Facilities and Strategic Leases

During the quarter, Sacgasco significantly strengthened and diversified its asset base through the acquisition of an additional 18 natural gas wells – transitioning the Company to a Top-3 natural gas producer in the Sacramento Basin.

In February, 13 additional operated natural gas well were acquired from private Californian partyies.

The assets include all associated leases, production and facilities, including meter stations and pipelines in three gas fields, and access to proprietary 3D seismic data over some 41 square kilometres, including some attractive mapped prospects for natural gas.

As consideration, Sacgasco assumed future liabilities for plugging the wells acquired, and removing associated facilities, estimated to be US$20,000 to $60,000 per well, and which will occur at some undetermined future time that is dependent on operational decisions on future utilisation of the wells for production, workovers or new drilling. A modest administration fee was paid. A small royalty on production from existing and future wells in the lease areas and modest prospect fees are also to be paid on related gas prospects that may be drilled in the future. This royalty rate varies dependent on future operational decisions, but will not exceed 3%.

Current gross (100%) production from just three wells is around 530 mcf gas per day.

A further five operated natural gas wells were acquired in March from various private Californian entities. The acquisition also includes associated infrastructure such as gas processing equipment, meter stations and pipelines in two fields adjacent to existing SGC producing assets.

As consideration, Sacgasco will assume future liabilities for plugging the wells, and removing associated facilities, estimated to be approximately $50,000 per well.

Current gross (100%) production from just two wells in the latest acquisition is around 120 mcf gas per day, taking SGC's Total Gross Production to close to 900 mcf per day.

Sacgasco will operate the wells under its current service agreement with Dero Parker's Integrity Management Services.

There are a number of opportunities to bring other wells back into production through workovers and/or new pipeline connections for modest expenditures. This will add materially to Sacgasco's current gas production.

Farm-out of Working Interest in Alvares Gas Project

In early March, Sacgasco and Xstate Resources (ASX: XST) agreed to a farm-out with BNE for the 2.4+ Tcf (400 million boe) Alvares Gas Project located in the Sacramento Basin, onshore California.

<u>Principal terms of Farm-out</u>

BNE will pay to the Farmors approximately $26,000 toward past lease rentals and will earn a 10% working interest by funding 13.33% of the next well to test the 1982 Alvares Gas Discovery. BNE's promoted share of funding the Alvares-2 will be limited to a gross cost cap of approximately $13 million. The Working Interests in the Alvares Gas Discovery are:

	Before Farm-out	After Farm-out
Sacgasco Limited (ASX: SGC)	**75 %**	**69 % (Operator)**
Xstate Resources Limited (ASX: XST)	25 %	21%
Bombora Natural Energy Pty Ltd	0 %	10 %

CORPORATE ACTIVITY

In January, the early conversion of ~7.6 Million share options raised approximately $228,000 after paying down debt to provide working capital.

In March, Sacgasco issued 26,453,855 fully paid ordinary shares at 6.5 cents to raise $1,719,500. The placement was taken up by London Institutions, International and Australian sophisticated investors and will be used to advance the Company's strategic plans.

The Company was also pleased to appoint Philip Haydn-Slater as the Company's London-based Non-Executive Director. Philip was co-founder and director of HD Capital for over 5 years and has worked throughout his 36 year career within institutional sales for a number of well-known financial institutions.

HLB Mann Judd were appointed auditors after the resignation of the previous auditors.

Sacgasco's new corporate identity and a new logo was unveiled on 31 March 2017 with the publication of Sacgasco Limited's 2016 Annual Report. The Annual General Meeting is scheduled for 31st May 2017.

ISSUED CAPITAL at 31 March 2017	
Ordinary Shares	197,306,407
Unlisted Options exercisable @ 10 cents 30 September 2019	11,000,000
Unlisted Options exercisable @ 3 cents 30 September 2017	1,100,000
Unlisted Options exercisable @ 15 cents 31 December 2019	22,500,000

Note:
On 12 April 2017, 442,536 shares were issued in satisfaction of directors fees for the March 2017 Quarter.
On 31 January 2016, 32,000,000 shares were issued for the purchase of Peregrine Limited, and
7,598,773 shares were issued upon the early conversion of unlisted options expiring on 30 September 2017.

SACRAMENTO BASIN OVERVIEW - Onshore Northern California

California Natural Gas Market Dynamics

The solid performance of California gas prices (between US$3 and US$3.5 per mcf), in one of the lower operating cost environments in the world, in conjunction with improving capital markets for oil and gas investments, underpins a positive outlook for Sacgasco and drilling of the Dempsey well with its potential for significantly increased sales of clean, natural gas in California, a “Top 5 World Economy”.

California consumes enormous quantities of gas, equivalent to less than 2.25 times the entire output of Australia’s NW Shelf LNG plants – but produces less than 10% of this consumed gas. The rest is imported from elsewhere in the USA and Canada. Hence the premium market for natural gas compared with most of the USA.

Access to extensive gas pipelines and production equipment increases the commercial potential of the Sacgasco’s Sacramento Basin natural gas play.

EXPLORATION, APPRAISAL AND NEW VENTURES

Sacgasco now has a portfolio of 25 natural wells in the Sacramento Basin with 10 in production and a further 15 wells that have the potential to be brought back into production. All production assets have material infrastructure which can be used to market gas from successful exploration of Sacgasco portfolio of mapped Tcf-scale prospects and complementary smaller projects as gas prices improve.

Total Gross Production is of the order of 900 mcf per day which places SGC amongst the Top-3 natural gas production operators in the Sacramento Basin.

Exploration leases have continued to be maintained within the Sacramento Basin during the quarter. SGC has a net working interest (WI) of between 35% and 100% in oil and gas leases which cover natural gas prospects.

Review of Sacramento Basin activity including farm-out opportunities, along with feedback from farm-in interest and announced “highly promoted” future drilling activities has reinforced SGC’s belief that both Dempsey and Alvares are world-class, multi-Tcf projects. Technical data and ongoing analysis has also been used to identify and upgrade additional prospects for leasing and future exploration drilling.

Mapping completed to date has resulted in the identification of a portfolio of diverse, easy accessible natural gas prospects, with best estimate recoverable prospective resources of gas ranging from a few Bcf to over 2 Tcf.

Dempsey Natural Gas Project – Appraisal / Exploration stage (SGC 90% WI)

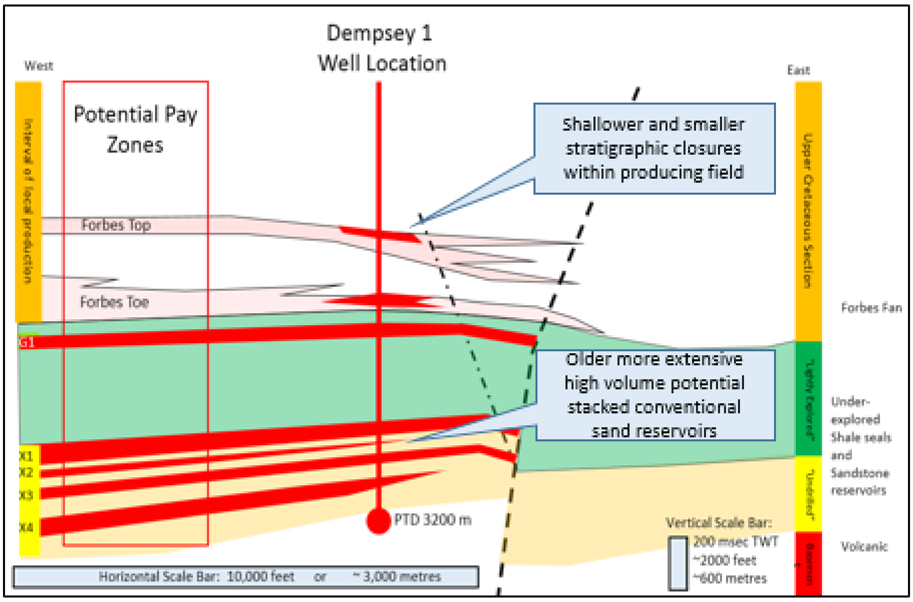
The Dempsey natural gas project is SGC's flagship project and remains the focus of the Company's near-term development plans. The Dempsey project has the potential for near-term, natural gas production and is located below existing SGC production facilities.

Permitting activities are being finalised in preparation for commencement of drilling in Q2 2017.

Sacgasco has doubled the lease area over its 1+Tcf* Dempsey Natural Gas Project. Leases and gas production infrastructure acquired to date lie above or adjacent to SGC's mapped 1+ Tcf Dempsey Natural Gas Project, and are highly strategic to the Company's lease holdings in the prolific Sacramento Basin which has produced over 11 Tcf of natural gas to date.

The Dempsey project has a Proposed Total Depth ('PTD') of 3,200 metres and is anticipated to take around 50 days to drill with costs estimated to be between US$3 and US$4 million.

Sacgasco interprets 7 target gas reservoir levels beginning with a small (1-3 BCF Deterministic Recoverable Prospective Resource) seismic amplitude defined, extension of the shallow producing Forbes Sandstone reservoir system. The targets then extend down to total depth through a series of older Cretaceous sandstone reservoirs.



Individual, unrisked Deterministic Prospective Resources for these primary targets range from 116 bcf to 352 Bcf of recoverable gas. Should all the stacked reservoirs be full of gas, the cumulative unrisked recoverable Prospective Resources within the prospect could exceed 1 Tcf.

*Further details were included in the Company's ASX release dated 4 September 2014. "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 movable hydrocarbons."

Alvares Natural Gas Project – Appraisal stage (SGC 69% WI)

The Alvares natural gas project is located close to large natural gas pipelines and on trend 35 miles from the similarly structured and highly promoted multi-Tcf Tulainyo Project leveraging off the Shell James-1 well drilled in 1947 for oil. The James well intersected multiple sandstone reservoirs with extensive gas shows. The Tulainyo well drilled in early 2015 is reported to have intersected "multiple stacked, gas bearing conventional reservoirs on a 50 square mile anticline".

Sacgasco's Alvares project contains a total (100%) recoverable unrisked prospective gas resource on a best estimate deterministic basis of approximately 2.4 Tcf*(400 million boe).

MARCH QUARTER PRODUCTION UPDATE

During the quarter, Sacgasco significantly strengthened its production profile with the acquisition, effective 1 February 2017, of 18 operated natural gas wells across the Sacramento Basin.

The latest acquisitions provide Sacgasco with **10 producing gas** wells across six gas fields – with Total Gross Production currently at approximately **870 mcf per day.**

The below table outlines Sacgasco's current gas fields and associated Well Interests:

Gas Field	SGC Working Interest (WI)	Total Wells	Wells in Production
Rancho-Capay*	60-90%	6	5
Los Medanos	90%	3	2
Malton*	35-69%	8	2
Dutch Slough*	69%	4	0
Denverton*	70%	1	1
Rice Creek East*	90%	3	0

*Includes acquisitions effective 1 February 2017

Combined Production	March 2017 Quarter	December 2016 Quarter
Gross mcf * (100%)	*53,107*	*15,174*
Net SGC mcf (after Royalty)	*25,677*	*5,800*
**mcf – Thousand Cubic feet gas*		

The 350% increase in Gross production in the table above reflects increased production from the newly acquired wells for part of the quarter from 1 February 2017.

TENEMENT LIST

SACGASCO LIMITED - Tenement / Project List (at 31 March 2017)			
Project name	Location	Working Interest (WI)	WI after Farmout
Dempsey Project	Sacramento Basin Onshore Northern California	90%	80%
Alvares Project	Sacramento Basin Onshore Northern California	75%	69%
California AMI Prospects	Sacramento Basin Onshore Northern California	70%	56-70%
Rancho-Capay Gas Field	Sacramento Basin Onshore Northern California	90%	70%
Los Medanos Gas Field	Sacramento Basin Onshore Northern California	90%	70%
Tenements acquired effective 1 February 2017			
Malton Field	Sacramento Basin Onshore Northern California	35-69%	N/A
Dutch Slough Field	Sacramento Basin Onshore Northern California	69%	N/A
Denverton Field	Sacramento Basin Onshore Northern California	70%	N/A
Rancho Capay Field	Sacramento Basin Onshore Northern California	60-86%	N/A
East Rice Creek Field	Sacramento Basin Onshore Northern California	90%	N/A

Note:

N/A – Not applicable no change in Working WI
WI – Approximate numbers in this table

-ENDS-

For and on behalf of the Board of Sacgasco Limited.

Gary Jeffery
Managing Director
+61 8 9388 2654

Sam Burns
Six Degrees Investor Relations
+61 400 164 067

About Sacgasco Limited (ASX. SGC)

Sacgasco Limited (ASX: SGC) is an Australian-based energy company focused on natural gas exploration in the Sacramento Basin, onshore California. SGC has an extensive portfolio of gas prospects at both exploration and appraisal stages, including multi-Tcf opportunities. The Company is targeting gas supply to the local Californian gas market and burgeoning LNG market in North America. SGC is of the view that the size of the prospects in California have the potential to supply both the domestic Californian gas market and export LNG markets.

www.sacgasco.com
Twitter: @SacGasCo

Leases:

US exploration is conducted on leases grant by Mineral Right owners, in SGC's case primarily private individuals or groups. Leases can vary in size from very small parcels (part of an acre) to large landholdings (covering a few square miles). Leases generally are for 5 years and rentals are paid annually. There are no work commitments associated with the leases. Some leases are 'Held By Production' and royalties, are paid to mineral right owners in lieu of rentals. SGC has not listed all it leases as it is impractical and not meaningful for potential project value assessment in a conventional natural gas play. A detailed listing of leases may also lead to a loss of competitive advantage and consequent reduced value to SGC shareholders.

Competent Persons

This document contains forward looking statements that are subject to risk factors associated with the oil and gas industry. It is believed that the expectations reflected in these statements are reasonable, but they may be affected by a many variables which could cause actual results or trends to differ materially. The technical information provided has been reviewed by Mr Gary Jeffery, Managing Director of Sacgasco Limited. He is a qualified geophysicist with over 44 years technical, commercial and management experience in exploration for, appraisal and development, and transportation of oil and gas. Mr Jeffery consents to the inclusion of the information in the form and context in which it appears.

Facilities depicted in images in this release are not necessarily assets of Sacgasco. Some of the images used represent aspects of the oil and gas industry in which Sacgasco is involved.

Before investing it is recommended that investors conduct their own due diligence and consult financial and technical advisors.

+Rule 5.5

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

SACGASCO LIMITED

ABN	**Quarter ended ("current quarter")**
83 114 061 433	31 MARCH 2017

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (3 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(519)	(519)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(6)	(6)
	(e) administration and corporate costs	(37)	(37)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	(10)	(10)
1.6	Income taxes paid	-	-
1.7	Research and development refunds	-	-
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**(572)**	**(572)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-

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

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of shares	687	687
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	174	174
3.4	Transaction costs related to issues of shares, convertible notes or options	(14)	(14)
3.5	Proceeds from borrowings	270	270
3.6	Repayment of borrowings	(6)	(6)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**1,110**	**1,110**

3.1 Funds received in advance for April 2017 share placement

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	118	118
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(572)	(572)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,110	1,110
4.5	Effect of movement in exchange rates on cash held	(2)	(2)
4.6	**Cash and cash equivalents at end of period**	**654**	**654**

5.	**Reconciliation of cash and cash equivalents** at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	**Current quarter $A'000**	**Previous quarter $A'000**
5.1	Bank balances	654	118
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**654**	**118**

6.	**Payments to directors of the entity and their associates**	**Current quarter $A'000**
6.1	Aggregate amount of payments to these parties included in item 1.2	16
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

Includes salaries and fees paid to directors of the company and interest payable on loans received from directors.

7.	**Payments to related entities of the entity and their associates**	**Current quarter $A'000**
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

8.	**Financing facilities available** *Add notes as necessary for an understanding of the position*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
8.1	Loan facilities	370	370
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.

Gary Jeffery, a director of the company, has provided the company with a loan of $100,000. The loan is unsecured with interest payable at 10% per annum.

Gary Jeffery and Andrew Childs, directors of the company, provided the company with loans totalling $270,000. The loans were unsecured with interest payable at 12% per annum. These loans including interest were repaid on 10 April 2017.

9.	**Estimated cash outflows for next quarter**	**$A'000**
9.1	Exploration and evaluation	200
9.2	Development	-
9.3	Production	-
9.4	Staff costs	45
9.5	Administration and corporate costs	74
9.6	Other (repay Director Loans, refer 8.4 above)	276
9.7	**Total estimated cash outflows ***	**595**

In addition to the funds received as at 31 March 2017, a further $1,033 thousand was received during April 2017.

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

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: D M McArthur Date: 28 April 2017
Company Secretary

Print name: David M McArthur

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.