

OPERATING ACTIVITIES REPORT AND ASX APPENDIX 5B For the Quarter Ended 31 December 2018



Figure 1: Installation of the new Field Boost Compressor at Mereenie

HIGHLIGHTS

- Cash balance at the end of the quarter was \$10.9 million and combined with undrawn debt facility remains sufficient to fund remaining costs associated with completion of the Gas Acceleration Programme (“GAP”).
- Palm Valley 13 successfully drilled to 2,242 metres Measured Depth (“MD”) encountering encouraging initial gas flows with further production testing to commence following connection to the Palm Valley facilities.
- Successful completion of the Mereenie Upgrade Project in advance of commencement of the operation of the Northern Gas Pipeline (“NGP”) and within budget.
- Palm Valley field successfully restarted prior to commencement of the operation of the NGP and remains on budget. Field production is currently around 8 TJ/d with this expected to increase once one existing well and the PV 13 well are brought online.
- Santos has completed the seismic works as part of the Southern Amadeus Stage 2 farmout and elected to proceed to Stage 3 by drilling a well in EP112 to earn a 70% participating interest in the permit. A drilling location for the Dukas-1 well has been selected (free carry for Central under the farmout), with drilling anticipated to commence in the first half of 2019.
- During the quarter, Netherland, Sewell and Associates, Inc. (NSAI), completed their estimate of the Company’s petroleum reserves and contingent resources for the 100% owned Palm Valley and Dingo Fields and for the 50% owned Mereenie Oil and Gas Field. Company oil and gas reserves (net to Central) have increased substantially, with Proven (1P) gas reserves increasing 65% to 134PJ and Proven and Probable (2P) gas reserves increasing 37% to 169PJ

- Queensland CSG exploration acreage (ATP 2031) continues to be progressed with drilling anticipated in Q2 2019.
- The Company appointed three new directors during the quarter (Katherine Anne Hirschfeld, Stuart Thomas Baker and Leon Devaney,), providing strong technical, industry and market expertise as the Company undergoes transformational growth.

ACTING CHIEF EXECUTIVE OFFICER'S REPORT TO SHAREHOLDERS FOR THE QUARTER

Central Petroleum Limited ("Company") completed delivery of its GAP, positioning the Company as a significant new supplier of gas into the east coast gas market through the NGP. The NGP commenced operations shortly after the quarter on 3 January 2019 with Central meeting all firm contracted nominations.

Net cash outflow from Operations for the quarter was \$9.5M after payment of \$9.4M of exploration costs related to the recent drilling program (West Mereenie 26 and Palm Valley 13). Excluding all exploration activities, net cash inflow from operations was \$0.4M for the quarter. In addition, \$1.6M of interest charges relating to the Macquarie debt facility were paid during the quarter.

The Mereenie Upgrade Project has successfully increased the capacity of the facilities to deliver 44 TJ/day of firm sales gas. The project was completed in advance of commencement of the operation of the NGP and within budget. Central is continuing to work with pipeline owners to mitigate pipeline constraints.

The Palm Valley Restart Project has successfully re-commissioned gas plant capacity of 15 TJ/day. Gas production to the end of the quarter averaged 7.8 TJ/d with this expected to increase once one more existing well and the Palm Valley 13 well are brought online. The Palm Valley 13 well is undergoing surface tie-in activities, with construction to begin this quarter. Once it is tied in, further well production and performance analysis can be undertaken.

The Company has maintained its focus of providing a safe working environment for all its staff and contractors as the significant projects progressed during the quarter. Pleasingly, safety performance was excellent with no LTIs recorded despite significantly increased activity and manhours associated with the Mereenie Facility Upgrade and the Palm Valley Restart Project.

The exploration program for ATP 2031 is progressing as planned. The ATP is comprised of 77km² of CSG acreage situated in the north-eastern Walloon Fairway, midway between Miles and Wandoan in the eastern Surat Basin. Incitec Pivot Queensland Gas Pty Ltd (a wholly owned subsidiary of Incitec Pivot Limited) is in a 50:50 joint venture with the Company and will fund up to an initial \$20 million exploration and appraisal programme. The exploration program is progressing, with drilling anticipated Q2 2019.

In addition to myself, we welcomed two new Directors to the Central Board, Katherine Anne Hirschfeld and Stuart Thomas Baker, who provide strong technical, industry and market expertise as the Company undergoes transformational growth. We also thank outgoing Directors Peter Moore and Sarah Ryan for their contributions to the Company.

Mike Herrington (President Operations and Chief Development Officer) has announced his intention to retire, with his last day as a full-time employee on 29 January 2019. Amongst his many accomplishments with Central, Mike was a key contributor to the GAP and in positioning the Company for success in the future.

Following completion of the GAP and recent commencement of the NGP, financial modelling and technical work has been progressed to position the company for a potential refinancing later this year.

The Company remains committed to executing its strategy to create value for all shareholders, whilst recognising the importance of all stakeholders including the traditional owners, employees, customers and the communities in which we operate.

With the NGP now delivering gas into the east coast market, we now focus on maximising the value of our existing production assets and delivering new growth opportunities for the Company.

Leon Devaney
Acting Chief Executive Officer

REVIEW OF OPERATIONS AND OTHER JOINT VENTURE ACTIVITIES FOR THE QUARTER ENDED 31 DECEMBER 2018 (“THE QUARTER”)

EXPLORATION/DEVELOPMENT ACTIVITIES:

ATP 2031 (CTP - 50% interest, Incitec Pivot Queensland Gas Pty Ltd - 50% interest)

The Company’s wholly-owned subsidiary Central Petroleum Eastern Pty Ltd was formally granted the Authority to Prospect (ATP) 2031 on 28 August 2018 for a term of 12 years. The exploration and appraisal program of up to \$20 million is being undertaken through a 50:50 joint venture arrangement with Incitec Pivot Queensland Gas Pty Ltd (a wholly owned subsidiary of Incitec Pivot Limited).

The parties have commenced works and are in the process of contracting drilling services for a 5 well exploration programme planned for the fourth quarter of this financial year, with the potential for another 4 well pilot project depending on technical results. Gas production from this permit is to be dedicated to the east coast domestic gas market.

The block is situated in the Surat Basin, a geological province that has been developed extensively over the last decade. No coal seam gas wells are currently located on the permit area, but there are a number of coal seam gas wells in adjacent blocks. The permit area covers 77km² and is located approximately 28km North-West of the town of Miles which is estimated to be half way between the Wooleebe Creek and Bellevue coal seam gas developments.

Southern Amadeus Basin Joint Venture and Stage 3 Farm out – Northern Territory (CTP – interests below, Santos (and Operator) – interests below)

Santos has completed the seismic works as part of the Southern Amadeus Stage 2 farmout and elected to proceed to Stage 3 by drilling a well in EP112 to earn a 70% participating interest in that permit. A drilling location for the Dukas-1 well has been selected (free carry for Central under the farmout), with the drilling anticipated to commence in the first half of 2019.

The joint venture’s exploration endeavours on these permits focus on maturing large sub-salt leads. The primary reservoir objective is the Heavitree Quartzite. Secondary reservoir objectives in the Neoproterozoic post-salt units include the Arumbera and Pioneer Sandstones, which are gas bearing in the Dingo and Ooraminna fields, respectively.

Central Petroleum continues to monitor data in these permits, seeking to identify a variety of exploration play types and targets which could be prospective for hydrocarbons and/or helium.

Southern Amadeus Area	Total Santos Participating Interest after completion of Stage 3
EP 82 (excluding EP 82 Sub-Blocks) **	40%
EP 105 **	40%
EP 106 * & **	40%
EP 112	70%
EP 125 **	70%
EP 115 (North Mereenie Block) **	40%

* Santos (as Operator) has continued the process of an application with the NT Department of Primary Industry and Resources for consent to surrender Exploration Permit 106.

** Farmin process for this area has concluded.

Ooraminna Field (RL3 and RL4) – Northern Territory

(CTP - 100% interest)

The planned Ooraminna appraisal well was deferred to enable learnings to be captured from the results of West Mereenie-26 and Palm Valley-13. An application has been made for a one year suspension of the permit obligation to drill the well. If successful, this will require the well to be drilled by March 2020.

Amadeus Basin (excludes EP 115 North Mereenie Block) – Northern Territory

(CTP and other interests – see “INTERESTS IN PETROLEUM PERMITS AND LICENCES TABLE” below).

Seismic reprocessing of 243km of vintage 2D seismic data has been completed. This satisfies the Year 2 work program for EP 115. The reprocessing will inform the planning of Year 3 seismic acquisition in 2019.

Central Petroleum continues to monitor data in these permits, seeking to identify a variety of exploration play types and targets which could be prospective for hydrocarbons and/or helium.

ATP 909, ATP 911 and ATP 912, Southern Georgina Basin – Queensland

(CTP - 100% interest)

Central Petroleum completed and submitted an application for Project Status with the Queensland Department of Natural Resources, Mines and Energy (“DNRME”) during the quarter. The Company continued to consult with DNRME during the quarter on the renewal applications.

Other Exploration and Application Areas

(CTP and other interests – see “INTERESTS IN PETROLEUM PERMITS AND LICENCES TABLE” below).

Central Petroleum continues to progress these exploration permits, targeting a variety of exploration play types and targets which could be prospective for hydrocarbons and/or helium. Native title negotiations are ongoing in the application areas.

PRODUCTION ACTIVITIES:

Mereenie Oil and Gas Field (OL4 and OL5) – Northern Territory

(CTP - 50% interest (and Operator), Macquarie Mereenie Pty Ltd - 50% interest).

During the Quarter:

Safety performance was excellent with no LTIs recorded despite significantly increased activity and manhours associated with the Mereenie Facility Upgrade. Some minor incidents occurred providing the opportunity to capture learnings and make improvements.

The Mereenie Facility Upgrade was successfully completed on schedule and on budget and in advance of the commencement of NGP commercial operations. This project included the installation of two new inlet separators, restaging the existing Field Boost Compressors, the installation of a new Field Boost Compressor, refurbishment and restart of Plant 3 and upgrades to the control system. As a result, the Mereenie Gas Field now has 44 TJ/d of firm capacity and additional capacity on a non-firm basis.

Gas production averaged 14.7 TJ/d over the quarter and averaged the significantly higher level of 31.4 TJ/d over last two weeks of December as the field supplied additional gas to Jemena for the commissioning of the NGP.

Palm Valley (OL3) - Northern Territory*(CTP - 100% interest)***Palm Valley Stairway and Pacoota****During the Quarter:**

Safety performance was excellent with no LTIs recorded despite significantly increased activity and manhours associated with the Palm Valley Restart Project. Some minor incidents occurred providing the opportunity to capture learnings and make improvements.

The Palm Valley Field was successfully restarted with minor works ongoing at the end of the half-year associated with upgrades to the produced water reinjection system. The Palm Valley 13 tie-in project is underway with commencement of construction expected early in 2019. Gas production averaged 7.8 TJ/d over the period from commencement of sales on 29th October to the end of the quarter. This is expected to increase once one more existing well and the Palm Valley 13 well are brought online.

Dingo Gas Field (L7) and Dingo Pipeline (PL30) – Northern Territory*(CTP - 100% interest)***During the Quarter:**

Safety performance was excellent with no LTIs recorded. Some minor incidents occurred providing the opportunity to capture learnings and make improvements.

The field continued to supply Owen Springs Power Station and gas production averaged 2 TJ/d over the half-year, with the remaining contracted volume subject to take-or-pay provisions.

Surprise Production Licence (L6) – Northern Territory*(CTP - 100% interest)*

The field remained shut-in. A review is underway on options to restart the field to determine whether there is a viable economic case for restart.

2018 DRILLING CAMPAIGN

During the quarter, the Company completed drilling of the Palm Valley 13 well, with a Total Depth (“TD”) of 2,242 metres measured depth on 13 October 2018. The well has been shut in pending tie-in of surface facilities. Initial gas flows were very encouraging, with further production testing to commence once connected to the Palm Valley facilities. The well intersected natural fractures as expected through fracture modelling. Production data will help inform the Company as to how best to optimise the Palm Valley gas field.

Palm Valley 13 is an in-field appraisal well for the Palm Valley Gas Field located in the Amadeus Basin. The well is located inside Operating Licence 3 (OL3). The Pacoota sandstone is the productive interval, with gross and net pay intervals of 280 metres and 85 metres respectively.

SALES – CENTRAL PETROLEUM EQUITY ADJUSTED SHARE**Sales Volumes**

Product	Unit	Q2 2018/19	Q2 2017/18	YTD 2018/19	YTD 2017/18
Gas	TJ	1,627	1,358	2,921	2,545
Crude and Condensate	bbls	19,676	24,753	43,727	54,000

Sales Revenue

Product	Unit	Q2 2018/19	Q2 2017/18	YTD 2018/19	YTD 2017/18
Gas, Crude and Condensate	\$'000	10,450	9,331	20,022	17,674

RESERVES - CENTRAL PETROLEUM EQUITY ADJUSTED SHARE

During the quarter, NSAI, completed their estimate of the Company's petroleum reserves and contingent resources for the 100% owned Palm Valley and Dingo Fields and for the 50% owned Mereenie Oil and Gas Field. Company oil and gas reserves have increased substantially, with Proven (1P) gas reserves increasing 65% to 134PJ, Proven and Probable (2P) gas reserves increasing 37% to 169PJ, and Proven, Probable and Possible (3P) gas reserves of 205PJ. Oil reserves have also increased, with 1P increasing 109% to 0.78 million barrels, 2P increasing 154% to 0.97 million barrels, and 3P of 1.15 million barrels. The Company's contingent gas resources decreased 36% to 91PJ due to the movement from contingent resources to reserves by the confirmed access to the east coast gas market through the NGP, as well as additional field production data.

INTERESTS IN PETROLEUM PERMITS AND LICENCES AT 31 DECEMBER 2018

Petroleum Permits and Licences Granted

Tenement	Location	Operator	CTP Consolidated Entity		Other JV Participants	
			Registered Interest (%)	Beneficial Interest (%)	Participant Name	Beneficial Interest (%)
EP 82 (excl. EP 82 Sub-Blocks) ¹	Amadeus Basin NT	Santos	60	60	Santos QNT Pty Ltd ("Santos")	40
EP 82 Sub-Blocks	Amadeus Basin NT	Central	100	100		
EP 93 ⁴	Pedirka Basin NT	Central	100	0		
EP 97 ⁴	Pedirka Basin NT	Central	100	0		
EP 105 ¹	Amadeus/Pedirka Basin NT	Santos	60	60	Santos	40
EP 106 ³	Amadeus Basin NT	Santos	60	60	Santos	40
EP 107 ⁴	Amadeus/Pedirka Basin NT	Central	100	0		
EP 112 ¹	Amadeus Basin NT	Santos	60	30	Santos	70
EP 115 (excl. EP 115 North Mereenie Block)	Amadeus Basin NT	Central	100	100		
EP 115 North Mereenie Block	Amadeus Basin NT	Santos	60	60	Santos	40
EP 125	Amadeus Basin NT	Santos	30	30	Santos	70
OL 3 (Palm Valley)	Amadeus Basin NT	Central	100	100		
OL 4 (Mereenie)	Amadeus Basin NT	Central	50	50	Macquarie Mereenie Pty Ltd ("Macquarie Mereenie")	50
OL 5 (Mereenie)	Amadeus Basin NT	Central	50	50	Macquarie Mereenie	50
L 6 (Surprise)	Amadeus Basin NT	Central	100	100		
L 7 (Dingo)	Amadeus Basin NT	Central	100	100		
RL 3 (Ooraminna)	Amadeus Basin NT	Central	100	100		
RL 4 (Ooraminna)	Amadeus Basin NT	Central	100	100		
ATP 909	Georgina Basin QLD	Central	100	100		
ATP 911	Georgina Basin QLD	Central	100	100		
ATP 912	Georgina Basin QLD	Central	100	100		
ATP 2031 ⁶	Surat Basin QLD	Central	50	50	Incitec Pivot Queensland Gas Pty Ltd	50

Petroleum Permits and Licences under Application

Tenement	Location	Operator	CTP Consolidated Entity		Other JV Participants	
			Registered Interest (%)	Beneficial Interest (%)	Participant Name	Beneficial Interest (%)
EPA 92	Lander Trough NT	Central	100	100		
EPA 111 ²	Amadeus Basin NT	Santos	100	50	Santos	50
EPA 120	Amadeus Basin NT	Central	100	100		
EPA 124 ^{2&5}	Amadeus Basin NT	Santos	100	50	Santos	50
EPA 129	Lander Trough NT	Central	100	100		
EPA 130	Pedirka Basin NT	Central	100	100		
EPA 131 ⁴	Pedirka Basin NT	Central	100	0		
EPA 132	Georgina Basin NT	Central	100	100		
EPA 133	Amadeus Basin NT	Central	100	100		
EPA 137	Amadeus Basin NT	Central	100	100		
EPA 147	Amadeus Basin NT	Central	100	100		
EPA 149	Amadeus Basin NT	Central	100	100		
EPA 152 ⁵	Amadeus Basin NT	Central	100	100		
EPA 160	Lander Trough NT	Central	100	100		
EPA 296	Lander Trough NT	Central	100	100		

Pipeline Licences

Pipeline Licence	Location	Operator	CTP Consolidated Entity		Other JV Participants	
			Registered Interest (%)	Beneficial Interest (%)	Participant Name	Beneficial Interest (%)
PL 2	Amadeus Basin NT	Central	50	50	Macquarie Mereenie	50
PL 30	Amadeus Basin NT	Central	100	100		

Notes

- Santos' right to earn and retain participating interests in the permit is subject to satisfying various obligations in their farmout agreement with Central. The participating interests as stated assume such obligations have been met, otherwise may be subject to change.*
- Effective 1 May 2017, Santos exercised its option to acquire a 50% participating interest in and be appointed operator of EPA 111 and EPA 124, which was granted as part of Central's acquisition of a 50% interest in the Mereenie oil & gas field.*
- Santos (as Operator) has continued the process of an application with the NT Department of Primary Industry and Resources for consent to surrender Exploration Permit 106.*
- These exploration permits and exploration permit applications and have been disposed, with transfers for the granted exploration permits undergoing the process of registration with the NT Department of Primary Industry and Resources.*
- On 22 March 2018 (in respect EPA 124) and on 23 March 2018 (in respect of EPA 152) Central received notice from the NT Department of Primary Industry and Resources that EPA 124 and EPA 152, as applicable, had been placed in moratorium for a period of 5 years from 6 December 2017 until 6 December 2022.*
- As per Central's announcement dated 29 August 2018, Central was granted ATP 2031. As per Central's announcement dated 25 June 2018 ATP 2031 is subject to a 50:50 joint venture with Incitec Pivot.*

CORPORATE

Cash Position

The Group began the Quarter with \$22.1M in cash and at the end of the quarter held \$10.9M. Cash positions are inclusive of the Group's share of cash held in Joint Venture bank accounts and funds held with Macquarie Bank to be used for allowable purposes under the Facility Agreement.

Net cash outflow from Operations for the quarter was \$9.5M, after payment of \$9.4M of exploration costs related to the recent drilling program (West Mereenie 26 and Palm Valley 13). Excluding all exploration activities, net cash inflow from operations was \$0.4M for the quarter.

Receipts from customers were \$8.3M for the quarter, compared to \$9.7M in the previous quarter, the decrease due to lower realised oil prices and the timing of gas sales receipts.

Cash expenditure on capital projects (non-exploration) amounted to \$7.9M and included \$5.2M on facilities expansions at Mereenie and \$2.7M on Palm Valley upgrades.

During the quarter \$5.0M was received under a gas prepayment facility with Incitec Pivot Limited ("IPL"). This facility will be repaid over four instalments and credited against amounts owing by IPL from gas sales commencing January 2019.

Interest charges amounting to \$1.6M relating to the Macquarie debt facility were paid during the quarter. A further \$1M principal repayment was made in respect of the existing Macquarie Bank loan facility.

The Company constantly reviews its costs in order to prudently manage its cash position.

Issued Securities of the Company

At 31 December 2018 the Company had 709,991,976 ordinary shares on issue, 28,081,924 share rights expiring on various dates and 35,625,000 unlisted options exercisable at various prices on various dates.

During the quarter, a total of 781,438 share rights were granted to employees in accordance with the Company's Employee Rights Plan and a total of 2,876,183 share rights were exercised by employees. In addition, 5,625,000 unlisted options were granted.

Leon Devaney

A handwritten signature in black ink that reads "Leon Devaney". The signature is written in a cursive, flowing style.

Acting Chief Executive Officer
30 January 2019

General Legal Disclaimer

As new information comes to hand from data processing and new drilling and seismic information, preliminary results may be modified. Resources estimates, assessments of exploration results and other opinions expressed by the Company in this announcement or report have not been reviewed by any relevant joint venture partners, therefore those resource estimates, assessments of exploration results and opinions represent the views of the Company only. Exploration programmes which may be referred to in this announcement or report may not have been approved by relevant Joint Venture partners in whole or in part and accordingly constitute a proposal only unless and until approved.

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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

CENTRAL PETROLEUM LIMITED

ABN

72 083 254 308

Quarter ended ("current quarter")

31 DECEMBER 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	8,284	18,022
1.2 Payments for		
(a) exploration & evaluation	(9,907)	(15,935)
(b) development	–	–
(c) production	(5,366)	(11,311)
(d) staff costs	(1,047)	(1,845)
(e) administration and corporate costs (net of recoveries)	15	(527)
1.3 Dividends received (see note 3)	–	–
1.4 Interest received	93	212
1.5 Interest and other costs of finance paid	(1,603)	(3,117)
1.6 Income taxes paid	–	–
1.7 Research and development refunds	–	–
1.8 Other	3	22
1.9 Net cash from / (used in) operating activities	(9,528)	(14,479)

2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(7,901)	(11,947)
	(b) tenements (see item 10)	–	–
	(c) investments	–	–
	(d) other non-current assets – Security Bonds	(43)	(188)
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	–	–
	(b) tenements and applications (see item 10 for tenements)	–	–
	(c) investments	–	–
	(d) other non-current assets – redemption of security bonds	2,333	2,333
2.3	Cash flows from loans to other entities	–	–
2.4	Dividends received (see note 3)	–	–
2.5	Other (refunded deposit to Joint Venture partner on withdrawal from Joint Venture)	–	–
2.6	Net cash from / (used in) investing activities	(5,611)	(9,802)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	–	–
3.2	Proceeds from issue of convertible notes	–	–
3.3	Proceeds from exercise of share options	–	–
3.4	Transaction costs related to issues of shares, convertible notes or options	–	–
3.5	Proceeds from borrowings	5,000	10,000
3.6	Repayment of borrowings	(1,000)	(2,000)
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	4,000	8,000

Mining exploration entity and oil and gas exploration entity quarterly report

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	22,081	27,223
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(9,528)	(14,479)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(5,611)	(9,802)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	4,000	8,000
4.5	Effect of movement in exchange rates on cash held	–	–
4.6	Cash and cash equivalents at end of period	10,942	10,942

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 ¹	10,941	22,080
5.2	Call deposits	–	–
5.3	Bank overdrafts	–	–
5.4	Other (Cash on hand)	1	1
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	10,942	22,081

¹ Includes share of Joint Venture bank accounts, and cash held with Macquarie Bank Limited (Current Quarter \$2,323,958; Previous Quarter \$1,421,848) to be used for allowable purposes under the Facility Agreement.

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	423
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, Directors fees and Superannuation contributions		

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 <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end ² \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	89,309	81,809
8.2 Credit standby arrangements	–	–
8.3 Other (please specify)	5,000	5,000
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.		

8.1 - Represents the Macquarie Bank Facility which is a secured 5 year partially amortising term loan maturing 30 September 2020 with quarterly principal and interest repayments. The weighted average interest rate at end of the current quarter was 7.52% (floating interest rate).
An additional \$7.5M facility remains undrawn. Repayments under the \$7.5M facility are payable over a maximum period of 9 months commencing 30 April 2019.

8.3 – Represents Incitec Pivot Limited (“IPL”) Gas Prepayment Facility to be repaid via four instalments offset against monthly gas sales invoices under the IPL GSA commencing January 2019. Interest accrues at 7%.

² Amortised remaining Facility limit. Original facility limit was \$90 million.

9. Estimated cash outflows for next quarter³	\$A'000
9.1 Exploration and evaluation	(2,667)
9.2 Development	–
9.3 Production	(8,635)
9.4 Staff costs (net of recoveries)	(982)
9.5 Administration and corporate costs (net of recoveries)	(822)
9.6 Other	
- Payments for property, plant & equipment	(10,858)
- Interest and debt repayments	(3,761)
9.7 Total estimated cash outflows	(27,725)

³ Outflows only, does not reflect proceeds from product sales, take or pay receipts, or financing facilities.

Mining exploration entity and oil and gas exploration entity quarterly report

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				
10.2	Interests in mining tenements and petroleum tenements acquired or increased				

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:
(Director/Company secretary)

Date: ..30 January 2019.....

Print name:JOSEPH MORFEA.....

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.