31 January 2017

QUARTERLY ACTIVITIES REPORT

December 2016

Australis Oil & Gas
ASX: ATS
ABN: 34 609 262 937

Australis is an upstream oil and gas company seeking to provide shareholders value and growth opportunities through the acquisition and accumulation of quality onshore oil and gas assets within emerging and established oil fields in the United States of America and other jurisdictions.

The Company was formed by the founders and key executives of Aurora Oil & Gas Limited, a team with a demonstrated track record of creating and realising shareholder value.

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Resource base doubled across the portfolio

Australis Oil and Gas Limited ("Australis" and "Company") is pleased to provide its quarterly activities report for the period ended 31 December 2016.

KEY ACTIVITIES AND HIGHLIGHTS

- Tuscaloosa Marine Shale best estimate independent 2C net contingent resource increased by 104% to 26.4 MMbbls.
- 2016 evaluation work enhances Portuguese resource estimates with best estimate 2C net contingent resource increasing by 96% to 458.5 Bcf
- Continued to progress strategy of expanding the lease position and lease term within the core area of the Tuscaloosa Marine Shale play
- Increased TMS position to 38,000 gross acres (19,000 net to Australis).
- Remained active in the evaluation of asset acquisition opportunities in the USA.

Finance and Corporate

- Closing net cash of A$29 million as at 31 December 2016, no debt and forecast expenditure for the March quarter of A$3.4 million.
- Identified several potential unconventional asset acquisition opportunities in the USA consistent with our strategy of securing oil assets with size potential at modest acquisition prices which are at various stages of review.

Tuscaloosa Marine Shale ("TMS") – An onshore USA unconventional oil play

- 50% Working Interest ("WI") in 38,000 gross contiguous acres within the production defined core fairway of the TMS. Averaged royalty obligations 20%.
- 104% increase in independently assessed best estimate 2C contingent resource of 26.4MMbbls net to Australis (post royalty) using a modest recovery factor of 8% of oil in place volumes as at 31 December 2016
- Increased the TMS lease position by 1,400 net acres during the Quarter at an average all in cost of US$380/acre.
- Total acquisition and leasing cost to date equates to US$0.70/bbl based on the year-end independent best estimate 2C resource.
- Most new TMS leases have a primary term of 5 years. There are now 19,200 gross acres (9,600 net to Australis) with a primary term expiry after 1 January 2020, providing Australis with flexibility for the timing of development activity to hold leases by production (HBP).

Lusitanian Basin – gas & oil acreage onshore Lusitanian Basin, Portugal

- 100% WI in 620,000 acres across two licensed exploration areas.
- 7 year concessions with minimal work commitments in years 1 to 3. First concession year now complete with all obligations met. Second year program budgeted at Euro160,000 approved with Portuguese authorities.
- Defined production mechanism and structure of contingent resource in the Batalha concession, leads to optimised appraisal program.
- 96% increase in best estimate 2C contingent resource to 458.5 Bcf based on evaluation of the 3D seismic purchased in 2016 from the Portuguese authorities.

STRATEGY

Background

The Australis strategy is focused on the onshore USA oil and gas industry and seeks to acquire unconventional assets with size potential and attractive acquisition and development economics, utilising the experience and knowledge of the management team.

The Company's founders and management are the former principals and management of Aurora Oil & Gas ("Aurora"), an ASX and TSX listed company focused in the unconventional Eagle Ford Shale and that was sold in June 2014 for an enterprise value of A$2.6 billion.

Australis commenced trading on the ASX on 25th July 2016 raising A$30 million during an IPO and prior to that privately raised A$37 million including A$11 million from Directors and Management.

Australis Acquisition Strategy - criteria and activities

The Company's strategy is predicated upon a modest oil price recovery in the medium term and it is focused on securing an inventory of future well locations with economics that can generate a substantial return under those circumstances.

Australis is actively seeking and evaluating acquisition opportunities in North America where the infrastructure and regulatory environment are conducive to effective development. There are several key criteria to our evaluation of opportunities that will complement our existing TMS activities: -

- Strong preference for asset quality rather than simply a low price acquisition. Quality is primarily driven by the reservoir properties, but is also influenced by drilling, completion and operational costs, take away capacity, pricing differentials and alignment with any partners.
- Preference is to retain the well inventory for future development under more profitable conditions. Therefore, asset contractual commitments are a key factor, although development activity might be a component of the acquisition price.
- Preference will be to operate the assets, however, Australis is prepared to take a non-operator role depending on the quality of operator, strategic alignment in development goals and criteria, together with a requirement for some influence over capital spend.

TUSCALOOSA MARINE SHALE

UNCONVENTIONAL OIL ACREAGE ONSHORE USA

Introduction

The Tuscaloosa Marine Shale is a shallow marine cretaceous unconventional shale that is present across central Louisiana and southwest Mississippi. The play is the same geological age as the Eagle Ford Shale in South Texas and the Woodbine Shale in East Texas. It was well known through the 1980s as associated conventional sand horizons were developed through the area with vertical wells. With the advent of unconventional development activity, the TMS was explored from 2010 with localised success.

The play is deep, high pressure and oil weighted. Early results demonstrated variable production performance and relatively high well costs, driven by operational difficulties encountered whilst drilling and completing the wells. These challenges led to a modest appraisal activity level, with competing plays in the USA offering lower risk development opportunities. However, the activity that did take place delineated a relatively small core area of the play where production results were consistent and very encouraging. This area is shown in the blue oblong in the map below (Figure 1). Well results indicate that there is a rapid decrease in production performance outside of this delineated core area. This delineated core area only consists of approximately 650,000 acres or 8% of the known TMS geological setting. The appraisal activity also addressed many of the operational challenges so that costs and repeatability were improving, however this coincided with the oil commodity price drop in late 2014. No drilling activity has occurred since the beginning of 2015.

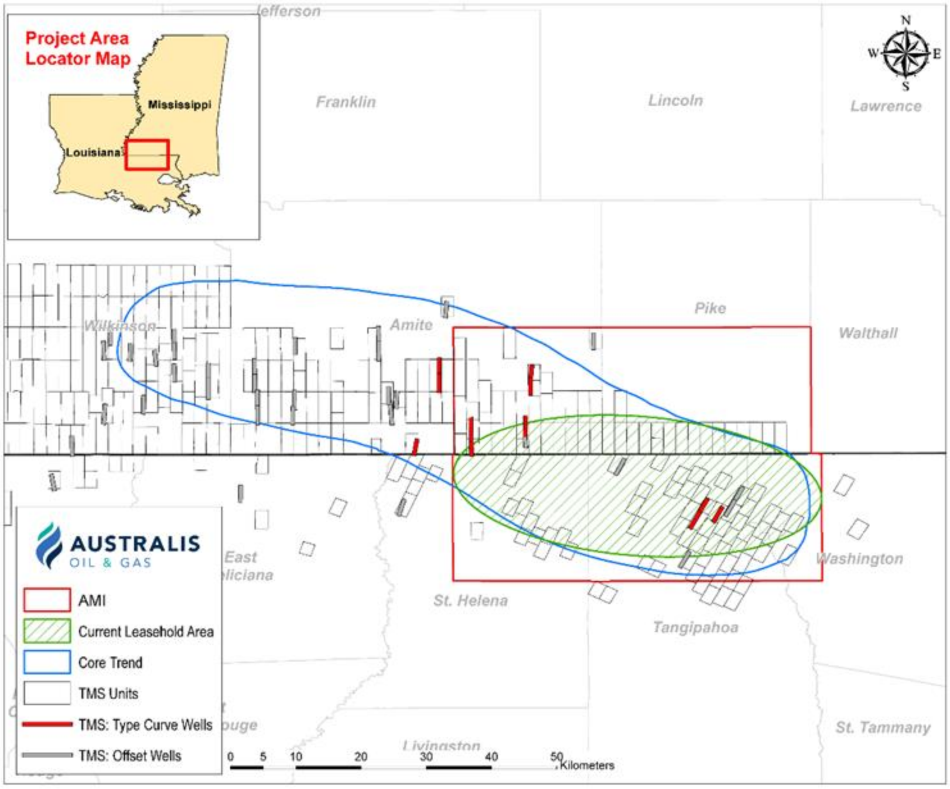

Figure 1: Overview of the TMS Core area and approximate lease hold position

A number of the small and mid-cap US independents who carried out this appraisal activity have financially struggled during the industry downturn during 2015/16.

These circumstances generated the opportunity for a low cost entry to the core of the play and was the basis for the acquisition of Australis' initial interest.

TMS acquisition

In early 2016 Australis acquired a 50% working interest in 33,000 gross acres from Paloma Resources ("Paloma"), a private equity backed entity well known and regarded by the management team as a result of previous interactions in the Eagle Ford shale play. Since early 2016, Australis and Paloma are targeting to increase their combined TMS land position to a 45,000 gross acres and to extend the term life of the leases. Extending the primary term of the leases allows greater flexibility and optionality for future TMS development activity with the initial focus to hold the leases by production (Held by Production - HBP) and secondly for full in-field development.

Australis' initial net position of 16,500 acres was increased to 17,600 acres by the end of the 3rd quarter 2016. During Q4 2016 a further 2,000 net acres of leases were secured at an average price of approximately \$220/acre plus associated brokerage of approximately \$160/acre. Approximately 600 net acres of leases expired over the quarter resulting in a net gain of 1,400 acres, bringing the total net position held by Australis to 19,000 acres.

In accordance with the stated strategy, Australis has continued to increase acreage under lease since entering the TMS along with extending the average lease term (duration prior to HBP activity being required to prevent lease expiry). When Australis entered the TMS, approximately 10% of the lease acreage positon had a primary term beyond 1 January 2020. As at the of the reporting quarter that figure stood at 29% of the acreage under lease that requires no HBP activity until after 1 Jan 2020.

Subsequent to the end of the quarter, Australis and Paloma have agreed to the key terms to extend the term of a further 8,300 acres of existing leases (4,150 net to Australis) through until June 2022. This increases the acreage under lease that requires no HBP activity until after 1 Jan 2020 from 29% to approximately 50%.

A summary of the movement in TMS acreage under lease position during the December 2016 Quarter is as follows:

Q4 2016 TMS Leases	TMS Project Acres	Net to Australis Acres
Opening Balance	35,200	17,600
New Leases or Re Leasing	4,000	2,000
Expired Lease	(1,200)	(600)
Closing Balance	38,000	19,000

In addition, Australis holds a top lease position of approximately 2,100 net acres. A top lease is a contractual mechanism used to secure a mineral rights lease where there is an existing lease already in place but the commitments required to hold that lease (i.e. the leases are not Held By Production) are unlikely to be met prior to the end of its term. For instance, if a lease is nearing the end of its primary term and requires a well to be drilled otherwise the lease will lapse, then a top lease agreement secures the terms of a new lease that commences as soon as the underlying contract term expires. Typically, a top lease requires ~25% of the lease fee to be paid up front with the remainder due when the underlying lease lapses.

Within the target area for Australis and Paloma there are a number of Third Party leases that are due to lapse in the next 3 – 6 months. Those leases are held by companies that we believe are unlikely to be in a position to meet the lease obligations, regardless of any oil price impact, and therefore have a high degree of confidence in the successful conversion of our top leasing program. Australis will report the top leases as TMS leases in the above table only once they have vested and the underlying existing lease has lapsed.

Resources as at 31 December 2016

Australis has received independent contingent resource estimates prepared by Ryder Scott Company (RS), based on the Australis net TMS acreage position as at 31 December 2016.

Using public and proprietary data RS developed three deterministic estimates of discovered petroleum initially-in-place volumes for the gross acreage position that provide a range that captures the risk or uncertainty in these estimates.[2] RS then utilised a range of recovery factors of 5%, 8% and 10% to determine the corresponding gross contingent resource. These figures were adjusted to reflect the economic interest of the Company, i.e. a combination of WI and NRI which generated the three deterministic estimates of 2C recoverable net volumes as shown below:

Discovered Petroleum Initially-in-Place[3] (Discovered Resources)		
Low Estimate (P90) (Mbbls)	Best Estimate (P50) (Mbbls)	High Estimate (P10) (Mbbls)
436,210	825,496	1,374,747

Recovery Factors Applied		
5%	8%	10%

Gross 2C Contingent Resources (100% WI)		
Low Estimate (P90) (Mbbls)	Best Estimate (P50) (Mbbls)	High Estimate (P10) (Mbbls)
21,811	66,040	137,474

2C Net Contingent Resource (50% WI & Post Royalties)		
Low Estimate (P90) (Mbbls)	Best Estimate (P50) (Mbbls)	High Estimate (P10) (Mbbls)
8,734	26,447	55,052

The Best Estimate 2C case above can be compared to the 2C estimate generated by the engineering firm STXRA in May 2016[1] of 12,962 Mbbls. By comparison the 26,447 Mbbls above shows a 104% improvement.

The increase in resource estimates is predominantly from two sources.

- The initial analysis carried out by STXRA made conservative assumptions on certain reservoir parameters that contribute to the resource estimate. Additional access to data (not previously available to Australis or STXRA) and subsequent analysis of a wide data set has allowed RS greater confidence in adopting new ranges for these parameters. The change of independent engineer was made due to the ability of RS, through its interaction with other participants in the TMS, to access a wider set of data and information to form its independent view for the Australis resource assessment.

- As foreshadowed in the IPO prospectus, Australis has been working with Paloma Resources LLC, to add to the existing acreage position within the delineated core fairway of the TMS. The Company's net acreage position has increased from approximately 16,500 net acres in May 2016 to 19,000 net acres at the effective date of 31 December 2016.

The 2C Best Estimate of 26,447 Mbbls assumes an 8% recovery factor from an in place volume that has been calculated based on mid case reservoir parameters.

This estimate equates to a US$0.70/bbl lease acquisition cost for Australis' 19,000 net acres on a post royalty basis.

The material assumptions and technical parameters underpinning the contingent resource estimate were set out in the announcement made to the market on 25 January 2017.

Single Well Type Curve and Resource estimates

Australis has previously provided its' provisional TMS type curve, which simply history matches the 11 Modern Offset wells closest to the Australis acreage without any assumed productivity improvements (marked in red on Figure 1 above).

The Australis type curve and economics assumptions are:

▪ Oil EUR	499 Mbbls (initial 12 month production of 145 Mbbls)
▪ Gas EUR	132 MMscf
▪ NGL EUR	17 Mbbls
▪ EUR (20 year)	538 Mboe (97% liquids)
▪ Capex per well D, C & T	US$11million (6,500 ft lateral)
▪ Opex	US$9,000/well/month + US$6/boe
▪ NRI	80%
▪ NPV(10) breakeven	$50WTI/bbl

Offset operators Type Curves range between 600Mboe and 800Mboe, although they may be based on a longer period of time. The type curve and associated economics were included in the Australis corporate presentation released to the ASX on 2 September 2016.

The Australis base case assumption at this time is 4 wells per 960 acre unit, each 6,500 ft long. Our net position of 19,000 acres corresponds to an inventory of 76 future net wells locations.

LUSITANIAN BASIN – CONVENTIONAL GAS & OIL ACREAGE ONSHORE PORTUGAL

In September 2015 Australis was awarded two onshore exploration concessions in the Lusitanian Basin (known as the Batalha and Pombal Concessions). The concessions cover a total area of 620,000 acres, are in the exploration phase, are valid for a further 7 years and have a modest minimal commitment work program in the first 3 years, with the first year now having been fully met.

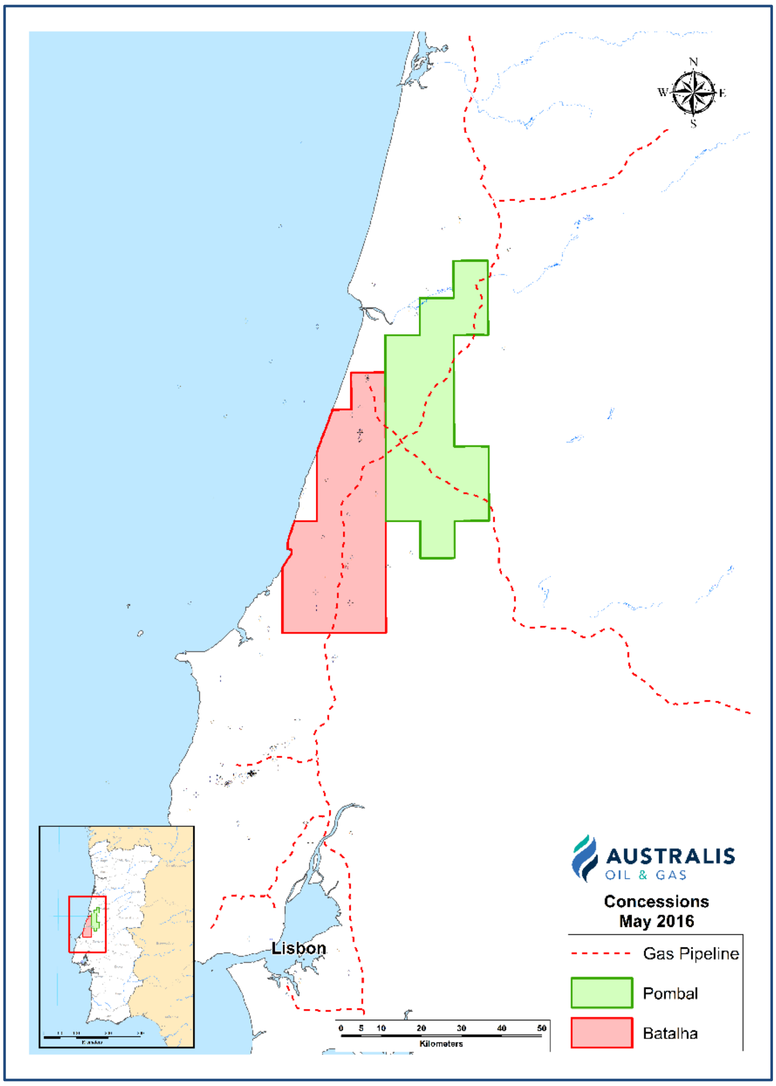

Figure 2: Overview of the Batalha and Pombal Concessions in the Lusitanian Basin

Australis has purchased from the Portuguese government, at nominal cost, aeromagnetic data interpretation study, exploration well logs and 2D seismic lines across both concessions as well as a 3D survey that covers part of the Batalha concession. Australis activity during the first year of the concessions broadly consisted of data review and analysis of the 2D and 3D seismic[4] and other existing information relating to prior wells.

During the reporting quarter the focus has been on the discovered contingent gas resource in the Aljubarrota region of the Batalha concession. Several key wells, the Aljubarrota #2, #2ST 1, #3 and #4 have been analysed in detail, as has the historical structural interpretation of the Lemede and Brenha horizons from which several of these wells tested gas to surface.

Existing petrophysical data from wells drilled previously in the Aljubarrota area basin has been subjected to additional analysis and interpretation. This revealed natural fractures as the most likely production mechanism and has highlighted that there is a locally consistent orientation to those fractures leading to a preferred well trajectory to maximize production. The same data was subjected to specialist unconventional analysis in the USA which confirmed in place volumes.

The structural maps for each horizon have been updated using the available 3D seismic survey data and the resultant maps are shown below and represent an enlarged prospective area.

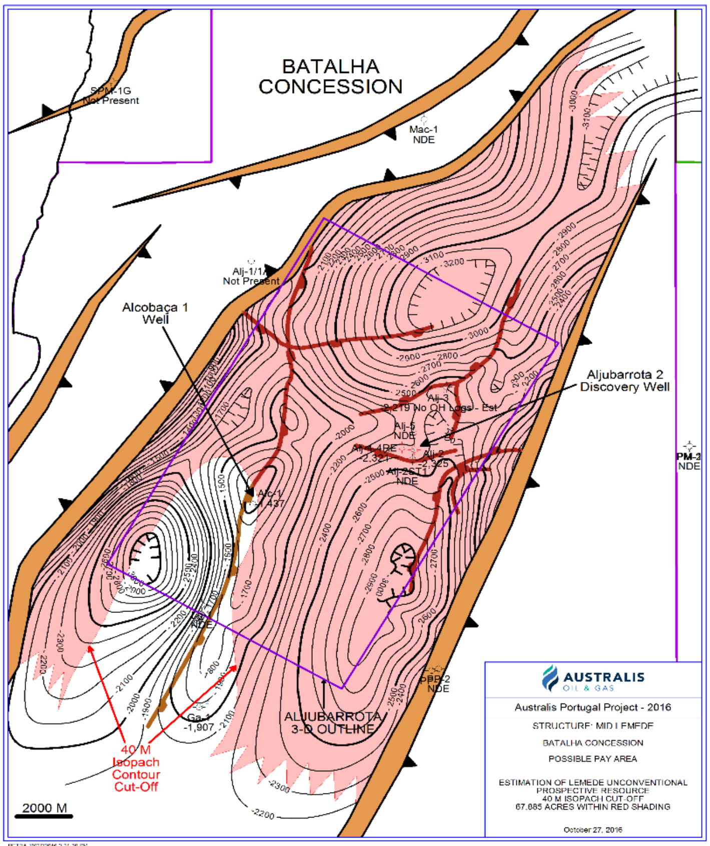

Figure 3: New structural map for Brenha and Lemede discoveries.

Significant increase to independent Recoverable Resource Estimates

Based upon work carried out over the last 6 months Australis has now completed an update to the contingent resource associated with the two horizons and this has led to a 96% increase in the estimated recoverable resource to a 2C figure of 458.5Bcf. The full results of the contingent and prospective resource estimates from Netherland, Sewell & Associates, Inc ("NSAI") is as follows:

NSAI generated their independent contingent resource estimates using a combination of deterministic and probabilistic methods[2].

Net[5] Contingent Resource – Gas (97% WI & Post Royalties)			
	Low Estimate 1C (BCF)	Best Estimate 2C (BCF)	High Estimate 3C (BCF)
NSAI Resource Est – 31 Dec 2016	217.4	458.5	817.7
NSAI Resource Est – 1 May 2016	83.6	234.1	409.6

The material assumptions and technical parameters underpinning the contingent resource estimate were set out in the announcement made to the market on 25 January 2017.

-ends-

Further Information:

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GLOSSARY

Unit	Measure	Unit	Measure
B	Prefix - Billions	bbl	Barrel of oil
MM	Prefix - Millions	boe	Barrel of oil equivalent (1bbl = 6 mscf)
M	Prefix - Thousands	scf	Standard cubic foot of gas
/d	Suffix - per day	Bcf	Billion cubic feet of Gas

Abbreviation	Description
WI	Working Interest
C	Contingent Resources – 1C/2C/3C – low/most likely/high
NRI	Net Revenue Interest (after royalty)
NPV (10)	Net Present Value (discount rate)
EUR	Estimated Ultimate Recovery
WTI	West Texas Intermediate Oil Benchmark Price
LLS	Louisiana Light Sweet Oil Benchmark Price
D, C & T	Drill, Complete and Tie-in well cost estimate
2D / 3D	2 dimensional and 3 dimensional seismic surveys
Opex	Operating Expenditure

Notes

1. Previous report contained in Section 8 (Technical Expert Reports) of the Company's prospectus dated 29 June 2016.

2. The probabilistic range of uncertainty is represented by a low, best and high estimate such that
   a. There should be at least a 90% probability (P90) that the quantities in place or actually recovered will equal or exceed the low estimate.
   b. There should be at least a 50% probability (P50) that the quantities in place or actually recovered will equal or exceed the best estimate.
   c. There should be at least a 10% probability (P10) that the quantities in place or actually recovered will equal or exceed the high estimate.

The deterministic method is based on qualitative assessment of relative uncertainty using consistent interpretation guidelines. The independent engineers using a deterministic incremental (risk-based) approach estimates the quantities at each level of uncertainty discretely and separately.

3. The petroleum initially-in-place (PIIP) and contingent resources volumes were estimated using the definitions and disclosure guidelines contained in the Society of Petroleum Engineers (SPE), World Petroleum Council (WPC), American Association of Petroleum Geologists (AAPG) and Society of Evaluation Engineers (SPEE) Petroleum Resources Management System (SPE-PRMS).

4. Aljubarrota 3D Seismic Survey – 60 km2 acquired December 2010 to March 2011 under permit issued by the Portuguese Divisao para a Pesquisa e Exploracao do Petroleo (“DPEP”).

5. Australis holds a 100% working interest in the Batalha and Pombal Concessions, however this interest is subject to a 3% working interest option granted to a contractor and the Net estimates provided by NSAI are prepared with the assumption that this option has been exercised. The Net estimates provided by NSAI also make an allowance for royalties payable to the Portuguese government. The actual royalties payable by Australis are detailed in Article 51 of Decree Law nr 109/94 of the 26th April, 1994 and Article 19.2 of each concession contract. For oil there is a staged royalty of between 0 and 9% based on produced volumes and for gas there is a similar staged royalty of between 3 and 8% again based on produced volumes. As there is not a development plan and an associated production profile for either the contingent or prospective resource estimates, the royalty rate has been assumed to be 8 and 9% respectively.

Resource Estimates

The resource estimates contained in this quarterly report are taken from the ATS announcement dated 25/1/17 and titled “2016 Year End Resource Update”. The Company is not aware of any new information or data that materially affects the information included in the referenced market announcement and that all material assumptions and technical parameters underpinning the estimates in the referenced market announcement continue to apply and have not materially changed.

Forward Looking Statements

This document may include forward looking statements. Forward looking statements include, but are not necessarily limited to, statements concerning Australis’ planned operation program and other statements that are not historic facts. When used in this document, the words such as “could”, “plan”, “estimate”, “expect”, “intend”, “may”, “potential”, “should” and similar expressions are forward looking statements. Although Australis believes its expectations reflected in these statements are reasonable, such statements involve risks and uncertainties, and no assurance can be given that actual results will be consistent with these forward looking statements.

+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

AUSTRALIS OIL AND GAS LIMITED

ABN	**Quarter ended ("current quarter")**
34 609 262 937	31 December 2016

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (12 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(223)	(1,339)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(686)	(1,668)
	(e) administration and corporate costs	(767)	(2,132)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Research and development refunds	-	-
1.8	Other (provide details if material)		
	Financial Advisor Fees	(30)	(120)
	Costs of IPO	-	(813)
1.9	**Net cash from / (used in) operating activities**	**(1,706)**	**(6,072)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(3)	(64)
	(b) tenements (see item 10)	(672)	(25,375)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (12 months) $A'000
	(c) investments	-	-
	(d) other non-current assets	-	-
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 (Interest received)	30	83
2.6	**Net cash from / (used in) investing activities**	**(645)**	**(25,356)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of shares	-	40,050
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	-	(1,905)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
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**	**-**	**38,145**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	30,850	22,063
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,706)	(6,072)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(645)	(25,356)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	38,145

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (12 months) $A'000**
4.5	Effect of movement in exchange rates on cash held	1,330	1,049
4.6	**Cash and cash equivalents at end of period**	**29,829**	**29,829**

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	17,199	18,979
5.2	Call deposits	12,513	11,777
5.3	Bank overdrafts	-	-
5.4	Other (Work Program Guarantee)	117	94
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**29,829**	**30,850**

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	(292)
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

Non -Executive and Executive Director salaries and fees.

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

N/A

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	-	-
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.

N/A

9.	**Estimated cash outflows for next quarter**	**$A'000**
9.1	Exploration and evaluation	(2,074)
9.2	Development	-
9.3	Production	-
9.4	Staff costs	(768)
9.5	Administration and corporate costs	(598)
9.6	Other (provide details if material)	-
9.7	**Total estimated cash outflows**	**(3,439)**

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	Tuscaloosa Marine Shale USA	50% working interest holder in approx. 38,000 gross acres	17,600 net acres	19,000 net acres
		Batalha– Onshore Portugal	100% working interest holder in concession	307,480 acres	307,480 acres
		Pombal– Onshore Portugal	100% working interest holder in concession	312,866 acres	312,866 acres

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: .... Date: 31 January 2017
(~~Director~~/Company secretary)

Print name: Julie Foster

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.