



This presentation contains forward-looking statements that are subject to risk factors associated with the U.S. oil & gas, Australian unconventional oil & gas and global coal business. Statements contained herein which are not historical facts may be considered forward-looking statements, and these statements are intended to be covered by the Safe Harbor provisions of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements involve risks and uncertainties that could cause actual events or results to differ materially from those expressed or implied and the forward-looking statements contained in this presentation may prove to be materially different from actual results obtained. It is believed that the expectations reflected in these statements are reasonable, but they may be affected by a range of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to price fluctuations, actual demand, currency fluctuations, geotechnical factors, drilling and production results, gas commercialisation, reserve estimates, loss of market, industry competition, environmental risks, physical risks, legislative, fiscal and regulatory developments, economic and financial market conditions in various countries and regions, political risks, project delay or advancement, approvals and cost estimates.

The initial public offering of the Company was sponsored by DBS Bank Ltd., Credit Suisse (Singapore) Limited and J.P. Morgan (S.E.A) Limited.



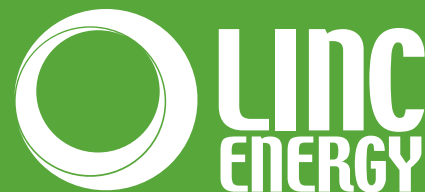
Linc Energy Ltd ("the Company" or "Linc Energy") is an oil and gas company with a world-class commodity portfolio that includes oil, gas and coal resources. The Company applies conventional production techniques and its own advanced technologies to extract value from the development of these resources.

Linc Energy is a global business, with Oil and Gas operations primarily onshore in the USA (Alaska, Texas, Louisiana and Wyoming); Exploration for Shale Oil and Gas in the Arckaringa Basin in South Australia; Developing a proprietary technology for the extraction of Heavy Oil (Moving Injection Gravity Drainage - MIGD) in an efficient and cost effective manner; and a significant number of opportunities to apply its proprietary Underground Coal Gasification (UCG) technology in Asia, Europe, Africa and the Americas.

The Company's proprietary UCG technology is a method of converting stranded coal resources into a valuable synthesis gas (Syngas) in situ. Linc Energy owns and operates the world's longest running commercial UCG operation in Uzbekistan (over 50 years in operation), which supplies Syngas to a nearby power station.

On 18 December 2013, the Company listed all of its existing shares and issued 51,850,000 new shares by way of initial public offering ("IPO") on the mainboard of the Singapore Exchange Securities trading Limited ("SGX-ST") and raised approximately SGD\$62,220,000 (AUD\$55.5 million) in gross proceeds.

Linc Energy wishes to present our unaudited first quarter FY16 financial statements announcement, which reflect the Company's financial and operating results for three months ended 30 September 2015 (our "Results"). The offering document registered by the Monetary Authority of Singapore dated 11 December 2013 (the "Prospectus") sets out all other material information regarding the Company including its commodity portfolio and businesses as at the latest Practicable Date and the date of the Prospectus. The Company's results should be reviewed in conjunction with the Prospectus.

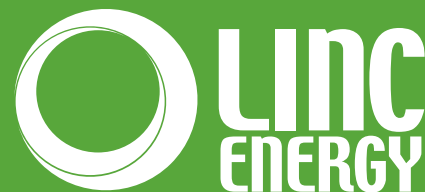


# FINANCIAL AND OPERATING HIGHLIGHTS

<b>LINC ENERGY GROUP</b>	<b>First quarter FY2016 30 September 2015 \$'000 AUD</b>	<b>First quarter FY2015 30 September 2014 \$'000 AUD</b>
<b>FINANCIAL SUMMARY</b>		
Revenue	20,398	29,609
Sale of royalty	-	148,107
Profit / (loss) before other financial instruments expenses and income tax expense	(46,649)	114,509
Profit/(loss) before income tax	(58,560)	106,383
Profit / (loss) after other financial instruments expenses and income tax expense	(58,371)	106,087
Gross Capital Expenditure – Oil & Gas <sup>1</sup>	8,267	20,398
<b>LINC ENERGY RESOURCES, INC</b>		
<b>OPERATIONS SUMMARY</b>		
<b>Sales volumes (BOE) <sup>2</sup></b>	<b>298,883</b>	<b>286,426</b>
- Oil (bbls)	290,963	269,116
- Natural Gas (MMBtu)	47,516	76,494
<b>Average sales price (BOE)</b>	<b>45.61</b>	<b>90.32</b>
- Oil (USD\$/bbls)	46.48	94.16
- Natural Gas (USD\$/MMBtu)	2.30	3.72

<sup>1</sup> Committed capital expenditure for the period

<sup>2</sup> Net sales

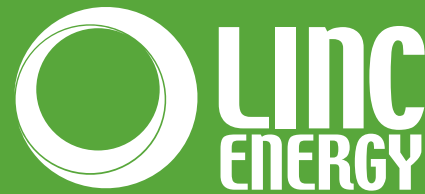


**EBITDAX Computation (USA Oil and Gas operations)**

<b>LINC ENERGY RESOURCES, INC Group</b>	<b>First quarter 2016 30 September 2015 \$'000 USD</b>	<b>First quarter 2015 30 September 2014 \$'000 USD</b>
Revenue	13,632	25,871
Net Income	(23,802)	(10,768)
<b>Add:</b>		
Income taxes	-	-
Interest expense	13,055	11,272
Amortisation of debt issuance costs	1,367	752
Loss on extinguishment of debt	-	1,300
Loss on abandonment	144	257
Bad debt expense	-	69
(Gain) / loss on sale of Alaskan receivable	-	(85)
Unrealised (gain)/loss on derivative component	5,416	(7,102)
Accretion expense	520	492
Depreciation, depletion and amortisation	18,276	16,226
Other extraordinary items <sup>1</sup>	-	2,000
<b>EBITDAX</b>	<b>14,976</b>	<b>14,413</b>

<sup>1</sup> Management fees paid to parent company, Linc Energy Ltd, from its USA subsidiary.

EBITDAX is based on the Linc Energy Resources, Inc. business which presents financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP"). EBITDAX is a supplemental measure of our performance that is not required by, or presented in accordance with IFRS. EBITDAX is not a measurement of financial performance or liquidity under IFRS and should not be considered as an alternative to net income, operating income or any other performance measures derived in accordance with IFRS or as an alternative to cash flow from operating activities as a measure of liquidity. In addition, EBITDAX is not a standardised measurement; hence, a direct comparison between companies using such measurement may not be possible.



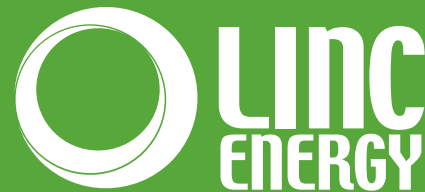
### First Quarter 2016 Financial Update

- For the first quarter ended 30 September 2015, the Group has recognised a loss before tax of AUD\$58.6 million, compared to the comparative period where the group recognised a profit of \$106.4 million as a result of the Sale of the Carmichael Royalty.
- For the three months ended 30 September 2015, revenue for the Oil and Gas operations has decreased to USD\$13.6 million compared to USD\$25.9 million for the comparative quarter ended 30 September 2014, however EBITDAX has increased to USD\$15.0 million, compared to USD\$14.4 million for the quarter ended 30 September 2014, due to the unwind of the Calendar 2016 hedges (USD\$6.2 million).
- As at 30 September 2015, our unutilised sources of liquidity amounted to AUD\$26.8 million which is the balance of our cash and cash equivalents at reporting date.
- The Company continues to review its hedging program on a regular basis and on 25 September 2015 approved to unwind its calendar year 2016 crude oil hedges. The net proceeds from this transaction was USD\$6.2 million. The funds raised will be used for general corporate purposes and working capital commitments. As at 30 September 2015 the Company holds WTI swaps at a price of USD\$86.22 per barrel and put options at USD\$55 per barrel until 31 December 2015 which covers 33% of forecasted production in Q2 FY2016.
- The net current liability position at 30 September 2015 is primarily reflective of the contractual terms of the Convertible Notes (Notes) which provides for an option in favour of Note holders which may require the Company to redeem some, all or none of the Notes on a single future date, being 10 April 2016. It is currently unknown whether any of the Note holders would look to exercise their option on that date. However, under accounting standards the Company is obliged to assume that all Note holders will exercise their option and so the full Notes liability has been recorded as current at 30 September 2015. The Company has engaged with Note holders in order to provide more certainty over the quantum which may or may not require to be redeemed on that future date.
- As at 30 September 2015, the Company has a net negative assets position of AUD\$42.2 million. Continual devaluing of AUD (against the USD) is the key driver in reducing the Company's Net Asset position for the period given all Company debt is denominated in USD whilst Australian Clean Energy and SAPEX assets balances are denominated in AUD. Foreign exchange movements are recognised in various accounts within the statement of comprehensive income, including net foreign exchange gains / (loss), financial instruments income / (expense) and foreign currency translation differences for foreign operations. The Company continues to make strides to address the issue outlined above with a capital restructure a key priority for Q2 FY2016.

### First Quarter 2016 Operational Update

#### Oil & Gas

- Average production for the quarter ended 30 September 2015 was 4,210 BOEPD gross with Net Sales Volumes for the quarter of 3,249 BOEPD, comprised of 99% liquids, which was higher as compared to the quarter ended 30 September 2014 (gross production of 3,910 BOEPD and Net Sales Volumes of 3,113 BOEPD). Production has been maintained at a stabilised rate over 4,000 BOEPD gross this quarter primarily as a result of a successful recompletion program which commenced in May 2015.
- During the quarter, the Company performed five recompletions which had average 30 day Initial Production (IP) rates of 234 gross BOPD. The Company commenced the drilling (spud) of 3 new wells during the quarter, which will be brought online in Q2 FY2016.
- In the Gulf Coast, the Company has recommenced new drilling activities, with a 2016 fiscal year budget targeting five wells in High Island and two wells in Atkinson Island. The first well in High Island was spud in August 2015, while the two Atkinson Island wells were spud in September. Based on the results of these wells and the macroeconomic environment, the Company plans to spud one new well every two months from February 2016 onwards, and perform two recompletions per month for the remainder of the financial year.
- The Company remains in discussions with interested parties with respect to the sale of its Umiat and Wyoming oil assets. While progress has been slow as a result of the recent oil and gas market downturn, the Company remains confident in the long-term value of both the Umiat and Wyoming oil assets and will continue to engage with interested parties whilst prudently progressing with permitting and development plans for the fields.



#### Clean Energy

##### *Poland*

- Due to economic conditions in the market and the suppressed price for oil and natural gas, the development of the Polish UCG project has been placed on hold. The Company will redeploy resources into other more viable projects within Africa and Asia.

##### *Alaska*

- The Alaskan UCG project has been paused with the intention to reconsider this endeavour when market conditions recover and a more sustainable long-term outlook can be determined. The team is presently exploring options to limit our ongoing exploration liabilities via assignment of the tenements.

##### *Chinchilla*

- The Company continues to defend the allegations made by the Queensland Government's Department of Environment and Heritage Protection in relation to the detection of gases in soil samples taken in the wider Chinchilla area. The Department has conceded there is no threat to public health, air quality, ground water, surface waters, soil or agricultural productivity. The Company remains committed to defending itself in the proper forum before the courts in regards to this matter, with the committal hearing having commenced in October 2015 and will continue in November 2015.
- One of five gasifiers at the Chinchilla site is still undergoing venting prior to 'close-in' and final decommissioning. It is anticipated that 'close-in' of the final gasifier will occur in Q2 FY16. All of this work is increasing the Company's knowledge and experience with respect to the decommissioning process of UCG operations.

##### *South Africa*

- Partnership with DRA Global has expanded the Company's visibility and access to opportunities. A working group has been set up with the Limpopo government to facilitate the deployment of UCG in the province. The Company has received a positive response from an Independent Power Producer for a small UCG to power venture, and discussions with the resource owner to progress the opportunity have commenced.

##### *Tanzania*

- The relationship with Olympic Exploration will not be progressing and the associated MOU agreement has now expired. The Company continues to explore opportunities with Tanzania both directly and via strategic partnerships.

#### Heavy Oil

- The Company is continuing to undertake low cost early stage development work regarding the adaption of its proprietary UCG downhole tools and techniques for the extraction of heavy crude oil.

#### SAPEX

- All laboratory analysis on samples from Pata 1 and Eba 1 have been completed and the well completion reports submitted to the South Australian Department of State Development.
- Further studies are currently being undertaken on the prospectivity of the Arckaringa Basin. These studies will help define the most appropriate future exploration activities for the Arckaringa Basin. They will also investigate the high total organic carbons and coal accumulations within the Boorthanna Formation as these may constitute a previously unknown hydrocarbon system within the Basin.
- Gustavson Associates have been engaged to update the Arckaringa Prospective Resources Report (Qualified Persons Report) to incorporate Pata 1 and Eba 1 well data and will be released to the market by 31 December 2015.



Corporate

- On 6 August 2015, the Company voided the issuance of a total of 7,052,497 shares that were issued in error on 4 May 2015 and 21 May 2015 as part of the conversion of USD\$16.7 million face amount of the Company's Convertible Notes. The extra shares were issued as a result of a calculation error in the Conversion Notice sent to the Company by the Trustee (Citicorp International Limited) in May 2015, relating to the manner in which the USD\$50 million redemption in January 2015 was implemented. After the USD\$50 million redemption, and the conversion of Notes in May 2015, the remaining Convertible Notes have an aggregate principal amount outstanding (and redemption value after factoring of 75%) of USD\$137.5 million, rather than the USD\$133.3 million of face value as previously advised to the market on 21 May 2015.
- On 31 July 2015, Independent Non-Executive Director, Mr Jon Mathews resigned to commence his retirement.
- On 3 August 2015, the Company appointed two Independent Non-Executive Directors, Mr Mark Leahy and Mr James (Mun Foong) Yip. Mr Mark Leahy has been appointed Lead Independent Director, Chairman of the Audit and Risk Management Committee and member of the Nominating and Remuneration Committee. Mr James (Mun Foong) Yip has been appointed Chairman of the Nominating and Remuneration Committee and member of the Audit and Risk Management Committee.

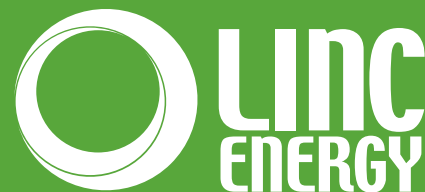


**PART 1 – INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1) AND FULL YEAR RESULTS**

**1 (a) (i) A statement of comprehensive income (for the Group) together with a comparative statement for the corresponding period of the immediately preceding financial year**

		First quarter FY2016 30 September 2015 \$'000 AUD	First quarter FY2015 30 September 2014 \$'000 AUD
<b>Continuing Operations</b>			
<b>Revenue</b>	A1	20,398	29,609
Cost of sales	A2	(33,380)	(27,402)
<b>Gross profit / (loss)</b>		<b>(12,982)</b>	<b>2,207</b>
Sale of Royalty	A1	-	148,107
Gain on sale of available-for-sale assets	A1	368	-
Other income	A1	170	162
<b>Expenses:</b>			
Administration and corporate	A3	(12,999)	(14,373)
Site operating costs		(733)	(1,084)
Exploration and evaluation		(2)	(351)
Technology development	A4	(1,734)	(2,264)
Net foreign exchange gains / (losses)		4,895	2,577
Other expenses	A5	(51)	-
Discount on sale of receivable	A6	-	91
<b>Results from operating activities</b>		<b>(23,068)</b>	<b>135,072</b>
Finance income	A7	295	656
Finance expenses	A7	(23,876)	(21,219)
<b>Net financing costs</b>		<b>(23,581)</b>	<b>(20,563)</b>
<b>Profit / (loss) before other financial instruments expenses and income tax expense</b>		<b>(46,649)</b>	<b>114,509</b>
Other financial instruments income / (expenses)	A7	(11,911)	(8,126)
<b>Profit / (loss) before income tax</b>		<b>(58,560)</b>	<b>106,383</b>
Income tax benefit / (expense)		189	(296)
<b>Profit / (loss) for the period from continuing operations</b>		<b>(58,371)</b>	<b>106,087</b>
<b>Other comprehensive income / (loss)</b>			
<b>Items that may be reclassified subsequently to profit or loss:</b>			
Net change in the fair value of available-for-sale financial assets, net of transaction costs, impairment and tax	A7	(1,777)	(2,217)
Foreign currency translation differences for foreign operations		(6,875)	15,314
<b>Total items that may be reclassified subsequently to profit or loss</b>		<b>(8,652)</b>	<b>13,097</b>
<b>Total other comprehensive income / (loss) for the period, net of tax</b>		<b>(8,652)</b>	<b>13,097</b>
<b>Total comprehensive income / (loss) for the period</b>		<b>(67,023)</b>	<b>119,184</b>
<b>Profit / (loss) attributable to:</b>			
Equity holders of Linc Energy Ltd		(58,303)	106,122
Non-controlling interest		(68)	(35)
<b>Profit / (loss) for the period</b>		<b>(58,371)</b>	<b>106,087</b>
<b>Total comprehensive income / (loss) attributable to:</b>			
Equity holders of Linc Energy Ltd		(67,933)	118,578
Non-controlling interest		910	606
<b>Total comprehensive income / (loss) for the period</b>		<b>(67,023)</b>	<b>119,184</b>
<b>Earnings / (loss) per share attributable to the ordinary equity holders of Linc Energy Ltd:</b>		<b>Cents AUD</b>	<b>Cents AUD</b>
Basic earnings / (loss) per share		(9.47)	18.00
Diluted earnings / (loss) per share		(9.47)	17.91





1 (a) (ii) Notes to the statement of comprehensive income:

A1 Revenue and other income

	First quarter FY2016 30 September 2015 \$'000 AUD	First quarter FY2015 30 September 2014 \$'000 AUD
<b>Revenue from continuing operations</b>		
Oil and gas sales revenue - USA	18,767	27,944
Clean Energy: Syngas sales revenue - Uzbekistan	840	603
Clean Energy: Consulting revenue <sup>1</sup>	791	1,062
<b>Total revenue</b>	<b>20,398</b>	<b>29,609</b>
<b>Sale of Royalty</b>		
Sale of Carmichael Royalty	-	148,107
<b>Total sale of Royalty</b>	<b>-</b>	<b>148,107</b>
<b>Gain on sale available-for-sale assets</b>		
Gain on sale available-for-sale assets <sup>2</sup>	368	-
<b>Total gain on sale of available-for sale assets</b>	<b>368</b>	<b>-</b>
<b>Other income</b>		
Sundry income	170	162
<b>Total other income</b>	<b>170</b>	<b>162</b>

<sup>1</sup>Clean Energy: Consulting revenue primarily includes Exxaro Intellectual Property (IP) revenue of YTD AUD \$0.7 million. A total of AUD\$5.5 million revenue has been recognised life to date, with the remaining AUD\$14.5 million being recognised as deferred revenue in the statement of financial position.

<sup>2</sup> During the year the Company sold shares in one of its listed securities investments. The gain represents the difference between the fair value and sale proceeds and a transfer of equity being held in the available-for-sale reserve.

A2 Cost of sales

	First quarter FY2016 30 September 2015 \$'000 AUD	First quarter FY2015 30 September 2014 \$'000 AUD
Oil and gas lease operating expenses	4,502	4,902
Other oil and gas production expenses	-	4
Royalties and production taxes	1,727	1,457
Work over expenses <sup>1</sup>	795	2,276
Depletion and accretion expense of oil and gas assets <sup>2</sup>	25,628	18,289
Production costs - Uzbekistan	728	474
<b>Total cost of sales</b>	<b>33,380</b>	<b>27,402</b>

<sup>1</sup> Workover expenses continue to decrease as a result of improved maintenance procedures and implementation of cost control initiatives.

<sup>2</sup> Depletion expense is a function of production over proved developed producing (PDP) reserves and based on declining reserve base from recompletion activities during the financial year, depletion expense has increased year on year.



**A3 Administration and corporate expenses include:**

	First quarter FY2016 30 September 2015 \$'000 AUD	First quarter FY2015 30 September 2014 \$'000 AUD
Employee benefits expenses	5,752	8,610
Share-based payments expense	56	1,266
Depreciation expense	989	966
Software amortisation expense	116	191
Net (gains) / loss on disposal of non-current assets	122	(17)

**A4 Technology development expenses include:**

	First quarter FY2016 30 September 2015 \$'000 AUD	First quarter FY2015 30 September 2014 \$'000 AUD
Amortisation of coal-to-liquids technology development	452	452

**A5 Other expenses**

	First quarter FY2016 30 September 2015 \$'000 AUD	First quarter FY2015 30 September 2014 \$'000 AUD
Other expenses – Oil and gas assets	51	-

**A6 Discount on sale of receivable**

	First quarter FY2016 30 September 2015 \$'000 AUD	First quarter FY2015 30 September 2014 \$'000 AUD
Alaskan tax rebate	-	(91)

**A7 Finance income, finance expenses and other financial instruments expenses**

Finance income recognised in profit and loss:

	First quarter FY2016 30 September 2015 \$'000 AUD	First quarter FY2015 30 September 2014 \$'000 AUD
Interest income on cash and cash equivalents	69	126
Interest income on loans	226	-
Present value discount on sale of royalty	-	530
<b>Total finance income</b>	<b>295</b>	<b>656</b>

Finance expenses recognised in profit and loss:

	First quarter FY2016 30 September 2015 \$'000 AUD	First quarter FY2015 30 September 2014 \$'000 AUD
Interest and borrowings costs paid or payable	(23,876)	(21,219)
<b>Total finance expenses</b>	<b>(23,876)</b>	<b>(21,219)</b>
<b>Net finance costs</b>	<b>(23,581)</b>	<b>(20,563)</b>

Other financial instruments expenses in profit and loss<sup>1</sup>:

	First quarter FY2016 30 September 2015 \$'000 AUD	First quarter FY2015 30 September 2014 \$'000 AUD
Net gain / (loss) on commodity swaps <sup>2</sup>	5,199	6,591
Net change in unrealised foreign exchange loss on convertible notes	(17,110)	(13,077)
Net change in fair value of embedded derivatives from convertible notes at fair value through profit or loss <sup>3</sup>	-	(1,640)
<b>Total other financial instruments expenses</b>	<b>(11,911)</b>	<b>(8,126)</b>

<sup>1</sup> In accordance with IAS 39 Financial Instruments, financial instruments are required to be re-valued to fair value at the end of each reporting period and all movements are recognised within other financial instruments expenses in profit and loss. All movements are non-cash and do not form part of the statement of cash flows.

<sup>2</sup> Net gain / (loss) on commodity swaps represents gains for the period from oil price swaps and put options held to partly mitigate price risk on the Company's oil and gas production.

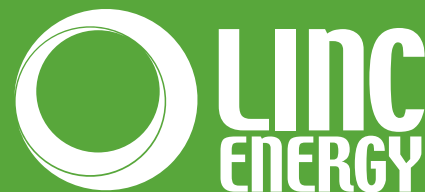
<sup>3</sup> Fair value of the embedded derivative is nil given the Company has the option to cash settle conversion notices.

Recognised in other comprehensive income:

	First quarter FY2016 30 September 2015 \$'000 AUD	First quarter FY2015 30 September 2014 \$'000 AUD
Net change in the fair value of available-for-sale financial assets, net of transaction costs, impairment and tax	(1,777)	(2,217)

1(b) (i) A statement of financial position (for the Company and Group), together with a comparative statement as at the end of the immediately preceding financial year

	Group		Company	
	As at 30 September 2015 \$'000 AUD	As at 30 June 2015 \$'000 AUD	As at 30 September 2015 \$'000 AUD	As at 30 June 2015 \$'000 AUD
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and cash equivalents	26,798	23,210	12,005	20,054
Trade and other receivables	15,527	14,186	3,895	2,957
Inventories	4,411	3,585	-	-
Assets classified as held for sale	18,838	20,964	18,838	20,964
Other financial assets	4,432	7,990	28	-
<b>Total current assets</b>	<b>70,006</b>	<b>69,935</b>	<b>34,766</b>	<b>43,975</b>
<b>Non-current assets</b>				
Trade and other receivables	26,817	25,545	11,905	12,495
Intangibles	260,256	254,191	31,646	32,112
Property, plant and equipment	14,191	14,219	7,125	7,336
Oil and gas assets	467,549	442,164	-	-
Available for sale investments	2,172	2,156	2,172	2,156
Net deferred tax assets	-	-	17,586	17,574
Other financial assets	-	3,099	-	-
Investment in subsidiaries	-	-	270,907	270,218
Receivables from subsidiaries	-	-	88,826	84,788
<b>Total non-current assets</b>	<b>770,985</b>	<b>741,374</b>	<b>430,167</b>	<b>426,679</b>
<b>Total assets</b>	<b>840,991</b>	<b>811,309</b>	<b>464,933</b>	<b>470,654</b>
<b>LIABILITIES</b>				
<b>Current liabilities</b>				
Trade and other payables	61,940	39,400	9,060	6,576
Borrowings	197,313	174,400	197,071	174,139
Provisions	11,531	9,088	3,079	2,476
Deferred revenue	3,000	3,000	3,000	3,000
<b>Total current liabilities</b>	<b>273,784</b>	<b>225,888</b>	<b>212,210</b>	<b>186,191</b>
<b>Non-current liabilities</b>				
Trade and other payables	1,362	1,241	-	-
Borrowings	533,311	483,542	-	-
Provisions	63,226	57,734	7,200	7,236
Deferred revenue	11,500	12,250	11,500	12,250
<b>Total non-current liabilities</b>	<b>609,399</b>	<b>554,767</b>	<b>18,700</b>	<b>19,486</b>
<b>Total liabilities</b>	<b>883,183</b>	<b>780,655</b>	<b>230,910</b>	<b>205,677</b>
<b>Net assets / (liabilities)</b>	<b>(42,192)</b>	<b>30,654</b>	<b>234,023</b>	<b>264,977</b>
<b>EQUITY</b>				
Share capital	425,346	431,169	425,346	431,169
Reserves	61,719	71,349	28,783	30,560
Retained earnings / (Accumulated losses)	(540,217)	(481,914)	(220,106)	(196,752)
<b>Total equity attributable to equity holders of the company</b>	<b>(53,152)</b>	<b>20,604</b>	<b>234,023</b>	<b>264,977</b>
Non-controlling interest	10,960	10,050	-	-
<b>Total equity / (deficiency)</b>	<b>(42,192)</b>	<b>30,654</b>	<b>234,023</b>	<b>264,977</b>

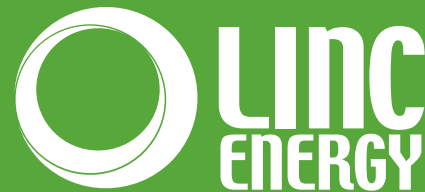


1 (b) (ii) Amount of Group's Provisions

	Group		Company	
	As at 30 September 2015 \$'000 AUD	As at 30 June 2015 \$'000 AUD	As at 30 September 2015 \$'000 AUD	As at 30 June 2015 \$'000 AUD
<b>Current</b>				
Oil and gas rehabilitation - USA	5,398	4,686	-	-
Employee entitlements	6,133	4,402	3,079	2,476
<b>Total current provisions</b>	<b>11,531</b>	<b>9,088</b>	<b>3,079</b>	<b>2,476</b>
<b>Non-Current</b>				
Decommissioning and site restoration – Chinchilla demonstration facility	5,923	5,923	5,923	5,923
Oil and gas rehabilitation - USA	56,026	50,498	-	-
Employee entitlements	1,277	1,313	1,277	1,313
<b>Total non-current provisions</b>	<b>63,226</b>	<b>57,734</b>	<b>7,200</b>	<b>7,236</b>

1 (b) (iii) Amount of Group's borrowings and debt securities

	Group		Company	
	As at 30 September 2015 \$'000 AUD	As at 30 June 2015 \$'000 AUD	As at 30 September 2015 \$'000 AUD	As at 30 June 2015 \$'000 AUD
<b>Current</b> (Repayable in one year or less, or on demand)				
<b>Secured</b>				
Finance lease liabilities	244	265	2	4
<b>Total secured current borrowings</b>	<b>244</b>	<b>265</b>	<b>2</b>	<b>4</b>
<b>Unsecured</b>				
Convertible notes				
Convertible note component	197,069	174,135	197,069	174,135
Embedded derivative component	-	-	-	-
<b>Total unsecured current borrowings</b>	<b>197,069</b>	<b>174,135</b>	<b>197,069</b>	<b>174,135</b>
<b>Total current borrowings</b>	<b>197,313</b>	<b>174,400</b>	<b>197,071</b>	<b>174,139</b>
<b>Non-Current</b> (Repayable after one year)				
<b>Secured</b>				
First Lien senior secured notes	168,694	152,744	-	-
Second Lien senior secured notes	364,429	330,673	-	-
Finance lease liabilities	188	125	-	-
<b>Total secured non-current borrowings</b>	<b>533,311</b>	<b>483,542</b>	<b>-</b>	<b>-</b>
<b>Total non-current borrowings</b>	<b>533,311</b>	<b>483,542</b>	<b>-</b>	<b>-</b>
<b>Total borrowings</b>	<b>730,624</b>	<b>657,942</b>	<b>197,071</b>	<b>174,139</b>



## **Details of Borrowings and Debt Securities:**

### **Finance Leases**

The Group has a number of motor vehicles secured under finance lease.

### **First Lien Senior Secured Notes**

On 13 August 2014, the Company's wholly-owned subsidiaries Linc USA GP and Linc Energy Finance (USA), Inc. (the "Issuers"), issued USD\$125 million of 9.625% First Lien Senior Secured Notes due 31 October 2017 (the First Lien Senior Secured Notes). The First Lien Senior Secured Notes were issued at 100% of their face value.

The First Lien Senior Secured Notes are fully guaranteed and unconditionally, jointly, and severally, by Linc Energy Resources, Inc. and all of the existing and future US domestic subsidiaries of Linc Energy Resources. The interest on the First Lien Senior Secured Notes is payable on 30 April and 31 October of each year, beginning on 31 October 2014. The First Lien Senior Secured Notes contain affirmative and negative covenants that, among other things, limit the Issuers ability to make investments; incur additional indebtedness or issue preferred stock; create liens; sell assets; enter into agreements that restrict dividends or other payments to restricted subsidiaries; consolidate, merge or transfer all or substantially all of the assets of the Issuers; engage in transactions with the Issuers' affiliates; pay dividends or make other distributions on capital stock or prepay subordinated indebtedness; and create unrestricted subsidiaries. The First Lien Senior Secured Notes also contains events of default. Upon the occurrence of events of default arising from certain events of bankruptcy or insolvency, the First Lien Senior Secured Notes shall become due and payable immediately without any declaration or other act of the holders of the First Lien Senior Notes.

The First Lien Senior Secured Notes are redeemable by the Issuers at any time on or after 30 April 2015, at the redemption prices set forth in the indenture.

### **Second Lien Senior Secured Notes**

On 12 October 2012, Linc USA GP and Linc Energy Finance (USA), Inc., issued AUD\$258.2 million (USD\$265 million) of 12.5% Second Lien Senior Secured Notes (Second Lien Notes) due 31 October 2017. The Second Lien Notes were issued at 96.402% of their face amount, resulting in net proceeds of AUD\$248.9 million (USD\$255.5 million) before discounts and fees.

The interest on the Second Lien Notes is payable on 30 April and 31 October of each year, and began on 30 April 2013. The Notes contain covenants, representations and warranties including limitations on distributions to the Group's non US entities. The Second Lien Notes are redeemable by the Issuers at any time on or after 30 April 2015, at the redemption prices set forth in the indenture.

On 29 May 2015, the Company announced majority consent had been obtained to amend the terms of the Second Lien Notes as follows:

- an option for the Company to capitalise the coupon payments due on the Second Lien Notes in both October 2015 and April 2016;
- an option to capitalise the coupon payments due on the Second Lien Notes in April 2016 upon the Company's oil and gas subsidiary, Linc Energy Resources Inc., receiving net cash proceeds of one or more equity offerings in the aggregate amount of at least USD\$50 million;
- if the Company elects to capitalise one or both of these coupon payments, the coupon will be calculated at 14%. If the Company elects to cash settle the coupon payments, the coupon will be calculated at the current 12.5% rate; and
- upon the sale of any material assets of the Company's oil and gas subsidiary, Linc Energy Resources Inc, the proceeds will be used to pay down US secured debt on order or priority at the respective call prices contained within the indenture documents at the time of sale.



### Convertible Notes

On 10 April 2013, Linc Energy Ltd raised AUD\$190.1 million (USD\$200 million) through the issue of Unsecured Convertible Notes (the Notes) due 10 April 2018.

The Notes are convertible into ordinary shares of Linc Energy Ltd at the election of note holders at any time on or after 21 May 2013 and ten days prior to 10 April 2018. The Company may make an election to settle in cash by making payment to the relevant note holders of the cash amount in lieu of delivering or issuing specific amount of shares to such Note holders.

The Company may redeem in whole but not in part the notes on any date on or after 10 April 2015 at their principal amount together with accrued but unpaid interest subject to the ordinary shares trading at a specific level above the conversion price for a specified period of days.

The terms of Notes were further amended on 30 December 2014. The key terms of the amendment are as follows:

- The Company has redeemed USD\$50 million of the Notes at par plus accrued interest on 5 January 2015; in return the Note holders' put date is moved back 12 months to 10 April 2016 which may require the Company to redeem some, all or none of the Notes on a single future date being 10 April 2016;
- The Company has the right to repurchase any and all outstanding Notes at a "Make Whole Price" (MWP) from now through the original 10 April 2015 put date subject to a notification period (1st Call). The MWP for the 1st Call means par value of the notes plus current accrued interest plus interest that would have accrued but remains unpaid up to 10 April 2015;
- After 10 April 2015 and until 10 April 2016, the Company has the right to repurchase any and all outstanding Notes at the MWP subject to a notification period (2nd Call). The MWP for the 2nd Call means par value of the notes plus current accrued plus interest that would have accrued but remains unpaid up to 10 April 2016; and
- The conversion price of the Notes was reset to SGD\$1.3411 with immediate effect.

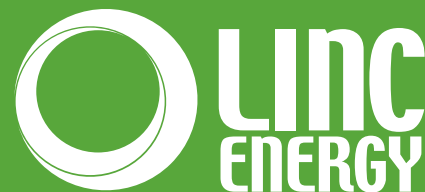
On 10 April 2015, the conversion price was reset to SGD\$0.77. The coupon increased from 7% to 9% per annum paid semi-annually commencing on 10 April 2015.

On 4 May 2015, the Company issued 8,446,102 shares on conversion of USD\$5.0 million of the Notes at SGD\$0.77 per share.

On 21 May 2015, the Company issued a further 19,763,881 shares on conversion of USD\$11.7 million Notes at SGD\$0.77 per share. The balance of the Company's Notes at 30 June 2015 was USD\$133.3 million (AUD\$174.1 million).

On 6 August 2015, the Company identified and rectified the issuance in error of 7,052,497 shares of the Company as part of the May conversions of the Notes to shares. The extra shares were issued as a result of a calculation error in the Conversion Notice sent to the Company by the Trustee (Citicorp International Limited), relating to the manner in which the USD\$50 million redemption in January 2015 was implemented. The Company understands that while payment was made to all Noteholders on a pro-rata basis at the time of the redemption, the principal amounts of the Notes held by each Noteholder were not adjusted in the note register accordingly. Rather, the Trustee applied a pool factor of 75% to reduce the total value of the outstanding Notes. Accordingly, the nominal value of the Notes on the note register did not change from USD\$200 million to USD\$150 million; instead the amounts due on a future redemption was reduced to reflect the Redemption payment of USD\$50 million. As a result of the issue referred to above, the recent conversion rights exercised by a Noteholder were calculated by the Trustee on the principal amount outstanding to that Noteholder without reference to the Redemption. The Company relied on the Conversion Notice provided by the Trustee and consequently, the Noteholder was issued 7,052,497 shares to which it was not entitled. A total of 28,209,983 shares were issued on the conversion of the Notes on 4 May and 21 May 2015, when the correct number of shares to be issued on conversion should have been 21,157,486, that is 75% of the original number of shares issued. After the USD\$50 million redemption, and the conversion of Notes in May 2015, the remaining USD\$200 million 7% Convertible Notes have an aggregate principal amount outstanding, and redemption value after factoring of 75% of USD\$137.475 million, rather than the USD\$133.3 million of face value as previously advised to the market on 21 May 2015.





**Summary of Movements:**

	<b>30 September 2015 \$000 AUD</b>	<b>30 June 2015 \$000 AUD</b>
<b>Convertible Note</b>		
Opening balance	174,135	162,108
Redemption	-	(61,794)
Conversion of notes (shares)	-	(21,169)
Unwind of notes	-	6,851
Gain / loss on modification	-	36,286
Transfer from embedded derivative <sup>1</sup>	-	14,441
Conversion correction (shares cancelled)	5,824	-
Difference relating to exchange rate fluctuations	17,110	37,412
Carrying amount	<b>197,069</b>	<b>174,135</b>

**Disclosed in the statement of financial position as:**

Current	197,069	174,135
Non-Current	-	-

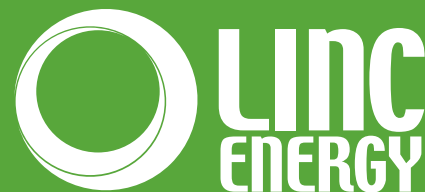
	<b>30 September 2015 \$000 AUD</b>	<b>30 June 2015 \$000 AUD</b>
<b>Embedded Derivative Liability</b>		
Opening Balance	-	35,036
Gain / loss on modification recognised in fair value through profit and loss	-	(24,855)
Fair value through profit and loss adjustment (excluding tax)	-	4,260
Transfer to convertible note component <sup>1</sup>	-	(14,441)
Closing fair value balance	-	-

**Disclosed in the statement of financial position as:**

Current	-	-
Non-Current	-	-

<sup>1</sup> The embedded derivative is now nil given the Company has the option to cash settle conversion notices. The convertible note liability component is the AUD equivalent of the outstanding note liability of USD\$137.5 million.

In accordance with IAS 39 Financial Instruments, financial instruments are required to be re-valued to fair value at the end of each reporting period and all movements are recognised within other financial instrument expenses in profit and loss. All movements are non-cash and do not form part of the statement of cash flows.



**1 (c) (i) A statement of cash flows (for the Group), together with a comparative statement of the corresponding period of the immediately preceding financial year**

	First quarter 2016 30 September 2015 \$'000 AUD	First quarter 2015 30 September 2014 \$'000 AUD
<b>Cash flows from operating activities</b>		
Receipts from customers and other debtors (inclusive of goods and services tax)	20,914	31,917
Payments to suppliers and employees (inclusive of goods and services tax)	(26,582)	(25,560)
Receipts / (payments) from commodity swaps <sup>1</sup>	12,635	(1,881)
Interest and borrowing costs paid	(2)	(1,095)
<b>Net cash inflow / (outflow) from operating activities</b>	<b>6,965</b>	<b>3,381</b>
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment	(65)	(178)
Proceeds from disposal of property, plant and equipment	163	161
Payments for software	-	(153)
Payments for exploration and evaluation intangible	(651)	(1,210)
Payments for exploration and development of oil and gas assets	(4,869)	(31,237)
Receipts from Alaskan tax rebate funding	-	91
Proceeds from sale of available-for-sale assets	828	-
Payment for financial asset	(28)	-
Net cash transferred (to) / from term deposits held as security for guarantees and bonds or held as investments	(39)	(1,445)
Interest received	112	147
<b>Net cash inflow / (outflow) from investing activities</b>	<b>(4,549)</b>	<b>(33,824)</b>
<b>Cash flows from financing activities</b>		
Proceeds from notes issues	-	134,931
Net proceeds / (repayments) on Reserve-Based Lending facility	-	(74,332)
Repayment of finance lease liabilities	(39)	(96)
Payments associated with financing activities	-	(12,045)
<b>Net cash inflow / (outflow) from financing activities</b>	<b>(39)</b>	<b>48,458</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>2,377</b>	<b>18,015</b>
Cash and cash equivalents at the beginning of the period	23,210	48,716
Effect of exchange rate fluctuations	1,211	6,160
<b>Cash and cash equivalents at the end of the period</b>	<b>26,798</b>	<b>72,891</b>

<sup>1</sup> The net receipts from commodity swaps includes the unwind of the Company's 2016 calendar year US oil hedges for AUD\$8.8 million (USD\$6.2 million).

**1 (d) (i) A statement (for the issuer and Group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year**

The Group	Attributable to equity holders of the company						Total	Non-controlling interest	Total equity
	Share capital	Foreign currency translation reserve	Available-for-sale reserve	Other reserves	Share based payments reserve	Retained earnings / (Accumulated losses)			
<i>\$'000 (AUD)</i>									
Balance as at 1 July 2014	396,794	24,325	995	5,309	20,534	(189,082)	258,875	8,314	267,189
<b>Total comprehensive income for the period</b>									
Profit / (loss) for the period	-	-	-	-	-	(292,832)	(292,832)	(61)	(293,893)
<b>Other comprehensive income</b>									
Foreign currency translation differences for foreign operations	-	16,429	-	-	-	-	16,429	1,797	18,226
Net change in fair value of available-for-sale financial assets, net of tax	-	-	13,303	-	-	-	13,303	-	13,303
<b>Total other comprehensive income</b>	-	<b>16,429</b>	<b>13,303</b>	-	-	-	<b>29,732</b>	<b>1,797</b>	<b>31,529</b>
<b>Total comprehensive income for the period</b>	-	<b>16,429</b>	<b>13,303</b>	-	-	<b>(292,832)</b>	<b>(263,100)</b>	<b>1,736</b>	<b>(261,364)</b>
<b>Transactions with owners, recorded directly in equity</b>									
<b>Contributions by and distributions to owners</b>									
Share-based payment expense	-	-	-	-	3,662	-	3,662	-	3,662
Shares issued and transfer from share based payment reserve on vesting of performance rights	13,206	-	-	-	(13,206)	-	-	-	-
Cash settled share-based payments transferred from share-based payment reserve on vesting of performance rights	-	-	-	-	(2)	-	(2)	-	(2)
Shares issued on conversion of Convertible Note holdings	21,169	-	-	-	-	-	21,169	-	21,169
Initial public offering capitalised costs, net of tax	-	-	-	-	-	-	-	-	-
<b>Total contributions by and distribution to owners</b>	<b>34,375</b>	-	-	-	<b>(9,546)</b>	-	<b>24,829</b>	-	<b>24,829</b>
<b>Total transactions with owners</b>	<b>34,375</b>	-	-	-	<b>(9,546)</b>	-	<b>24,829</b>	-	<b>24,829</b>
<b>Balance as at 30 June 2015</b>	<b>431,169</b>	<b>40,754</b>	<b>14,298</b>	<b>5,309</b>	<b>10,988</b>	<b>(481,914)</b>	<b>20,604</b>	<b>10,050</b>	<b>30,654</b>

The Group	Attributable to equity holders of the company						Total	Non-controlling interest	Total equity
	Share capital	Foreign currency translation reserve	Available-for-sale reserve	Other reserves	Share based payments reserve	Retained earnings / (Accumulated losses)			
<i>\$'000 (AUD)</i>									
Balance as at 1 July 2015	431,169	40,754	14,298	5,309	10,988	(481,914)	20,604	10,050	30,654
<b>Total comprehensive income for the period</b>									
Profit / (loss) for the period	-	-	-	-	-	(58,303)	(58,303)	(68)	(58,371)
<b>Other comprehensive income</b>									
Foreign currency translation differences for foreign operations	-	(7,853)	-	-	-	-	(7,853)	978	(6,875)
Net change in fair value of available-for-sale financial assets, net of tax	-	-	(1,777)	-	-	-	(1,777)	-	(1,777)
<b>Total other comprehensive income</b>	-	<b>(7,853)</b>	<b>(1,777)</b>	-	-	-	<b>(9,630)</b>	<b>978</b>	<b>(8,652)</b>
<b>Total comprehensive income for the period</b>	-	<b>(7,853)</b>	<b>(1,777)</b>	-	-	<b>(58,303)</b>	<b>(67,933)</b>	<b>910</b>	<b>(67,023)</b>
<b>Transactions with owners, recorded directly in equity</b>									
<b>Contributions by and distributions to owners</b>									
Shares cancelled upon correction of conversion of Convertible Notes	(5,823)	-	-	-	-	-	(5,823)	-	(5,823)
<b>Total contributions by and distribution to owners</b>	<b>(5,823)</b>	-	-	-	-	-	<b>(5,823)</b>	-	<b>(5,823)</b>
<b>Total transactions with owners</b>	<b>(5,823)</b>	-	-	-	-	-	<b>(5,823)</b>	-	<b>(5,823)</b>
<b>Balance as at 30 September 2015</b>	<b>425,346</b>	<b>32,901</b>	<b>12,521</b>	<b>5,309</b>	<b>10,988</b>	<b>(540,217)</b>	<b>(53,152)</b>	<b>10,960</b>	<b>(42,192)</b>

The Company

	Share capital	Available- for -sale reserve	Other reserves	Share based payments reserve	Retained earnings / (Accumulated losses)	Total
<i>\$'000 (AUD)</i>						
Balance as at 1 July 2014	396,794	995	5,274	20,534	(25,569)	398,028
<b>Total comprehensive income for the period</b>						
Profit / (loss) for the period	-	-	-	-	(171,183)	(171,183)
<b>Other comprehensive income</b>						
Impairment of available-for-sale-assets, net of tax	-	-	-	-	-	-
Net change in fair value of available-for-sale financial assets, net of tax	-	13,303	-	-	-	13,303
<b>Total other comprehensive income</b>	-	13,303	-	-	-	13,303
<b>Total comprehensive income for the period</b>	-	13,303	-	-	(171,183)	(157,880)
<b>Transactions with owners, recorded directly in equity</b>						
<b>Contributions by and distributions to owners</b>						
Share-based payment expense	-	-	-	3,662	-	3,662
Shares issued and transfer from share based payment reserve on vesting of performance rights	13,206	-	-	(13,206)	-	-
Shares issued on conversion of Convertible Note holdings	21,169	-	-	-	-	21,169
Cash settled share-based payments transferred from share- based payment reserve on vesting of performance rights	-	-	-	(2)	-	(2)
<b>Total contributions by and distribution to owners</b>	<b>34,375</b>	-	-	<b>(9,546)</b>	-	<b>24,829</b>
<b>Total transactions with owners</b>	<b>34,375</b>	-	-	<b>(9,546)</b>	-	<b>24,829</b>
<b>Balance as at 30 June 2015</b>	<b>431,169</b>	<b>14,298</b>	<b>5,274</b>	<b>10,988</b>	<b>(196,752)</b>	<b>264,977</b>

**The Company**

	Share capital	Available- for -sale reserve	Other reserves	Share based payments reserve	Retained earnings / (Accumulated losses)	Total
<i>\$'000 (AUD)</i>						
Balance as at 1 July 2015	431,169	14,298	5,274	10,988	(196,752)	264,977
<b>Total comprehensive income for the period</b>						
Profit / (loss) for the period	-	-	-	-	(23,354)	(23,354)
<b>Other comprehensive income</b>						
Net change in fair value of available-for-sale financial assets, net of tax	-	(1,777)	-	-	-	(1,777)
<b>Total other comprehensive income</b>	-	(1,777)	-	-	-	(1,777)
			-			
<b>Total comprehensive income for the period</b>	-	(1,777)	-	-	(23,354)	(25,131)
<b>Transactions with owners, recorded directly in equity</b>						
<b>Contributions by and distributions to owners</b>						
Shares cancelled upon correction of conversion of Convertible Notes	(5,823)	-	-	-	-	(5,823)
<b>Total contributions by and distribution to owners</b>	(5,823)	-	-	-	-	(5,823)
<b>Total transactions with owners</b>	(5,823)	-	-	-	-	(5,823)
<b>Balance as at 30 September 2015</b>	<b>425,346</b>	<b>12,521</b>	<b>5,274</b>	<b>10,988</b>	<b>(220,106)</b>	<b>234,023</b>



1 (d) (ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

	30 September 2015	30 June 2015	30 September 2015 \$'000 AUD	30 June 2015 \$'000 AUD
	Number	Number		
<b>Share capital</b>				
Ordinary shares – fully paid	<b>615,966,776</b>	623,019,273	<b>425,346</b>	431,169
<b>Movements:</b>				
Opening balance	<b>623,019,273</b>	587,918,910	<b>431,169</b>	396,794
Shares cancelled upon correction of convertible note conversion	<b>(7,052,497)</b>	-	<b>(5,823)</b>	-
Shares issued on conversion of Convertible Note holdings	-	28,209,983	-	21,169
Shares issued on vesting of performance rights	-	6,890,380	-	13,206
Closing balance	<b>615,966,776</b>	623,019,273	<b>425,346</b>	431,169

The Company did not have any treasury shares as at 30 September 2015 and 30 June 2015.

**Number of shares that may be issued on conversion of outstanding employee options, performance rights and convertible notes:**

	30 September 2015 Number	30 June 2015 Number
Unvested employee contractual rights <sup>1</sup>	<b>233,759</b>	233,759
Convertible notes <sup>2</sup>	<b>232,225,627</b>	225,173,130
<b>Total unissued shares</b>	<b>232,459,386</b>	225,406,889

<sup>1</sup> Upon transition of employment from a wholly owned subsidiary to the parent, two employees were given contractual rights that can be settled in cash or shares to vest upon the completion of twelve months employment.

<sup>2</sup> On 10 April 2013, Linc Energy Ltd raised AUD\$190.1 million (USD\$200 million) through the issue of Unsecured Convertible Notes due 10 April 2018. Further details of the facility can be found under Convertible notes in section 1 (b) (iii). The outstanding face value of the Notes is USD\$137.5 million and the total shares that may be issued upon conversion is 232,225,627.

1 (d) (iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	30 September 2015 Number	30 June 2015 Number
<b>Share capital</b>		
Ordinary shares – fully paid	<b>615,966,776</b>	623,019,273

1 (d) (iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable.





**2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The above financial statements have not been audited or reviewed by the Company's auditors.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter).**

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period compared with the audited financial statements for the financial year ended 30 June 2015, except for those disclosed in Note 5 below.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

The Group has not made any changes in accounting policies.

**6. Earnings / (loss) per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deduction of any provision for preference dividends.**

	First quarter FY2016 30 September 2015	First quarter FY2015 30 September 2014
<b>Profit / (loss) attributable to the ordinary equity holders of the Company:</b>		
Basic earnings / (loss) per ordinary share (AUD cents per share)	(9.47)	18.00
- weighted average number of shares	615,966,776	589,575,656
Fully diluted earnings / (loss) per ordinary share (AUD cents per share)	(9.47)	17.91
- adjusted weighted average number of shares	615,966,776	592,451,399

**7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of (a) current financial period reported on and (b) immediately preceding financial year.**

	The Group		The Company	
	As at 30 September 2015	As at 30 June 2015	As at 30 September 2015	As at 30 June 2015
Net assets (\$AUD)	(42,192,000)	30,654,000	234,023,000	264,977,000
Number of ordinary shares (number)	615,966,776	623,019,273	615,966,776	623,019,273
Net asset value per ordinary share (\$AUD/share)	(0.0685)	0.0492	0.3799	0.4253



**8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**

**(a) Any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**

**(b) Any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

*Statement of comprehensive income*

For the first quarter ended 30 September 2015 (Q1 2016) the Group has recognised a loss before tax from continuing operations of AUD\$58.6 million.

Revenue for 30 September 2015 (Q1 2016) has decreased by AUD\$9.2 million over that of the first quarter ended 30 September 2014 (Q1 2015) due to:

- increased US oil and gas net sales volumes of 136 BOEPD, however a decrease in the realised price per barrel of USD\$46.48 (decrease of AUD\$9.2 million);
- decreased revenue from Clean Energy consulting (AUD\$0.2 million) due to a refinement in the revenue recognition policy of the Exxaro Intellectual Property Revenue received in December 2013;
- increase in revenue from syngas sales in Uzbekistan (AUD\$0.2 million)

Cost of sales has increased for the quarter by AUD\$6.0 million primarily due to increased depletion (AUD\$7.3 million) resulting from the updated reserves report issued at financial year end. This was slightly offset by reduced workover expenses (AUD\$1.5m) as a result of improved maintenance procedures and implementation of cost control initiatives.

Administration and corporate expenses have decreased by AUD\$0.4 million for the quarter, in line with cost control initiatives implemented throughout the previous financial year. The two primary cost savings were in salary and wages (decreased by AUD\$2.1 million) and share-based payment expense (decreased by AUD\$1.2 million), however this has been offset predominately due to increased expenditure (AUD\$0.8 million) as a result of the Company's restructure and current legal proceedings in relation to our Chinchilla asset.

Site operating costs have decreased by AUD\$0.4 million for the quarter as a result of the reduced level of operation and staff numbers at the Chinchilla demonstration facility.

Net foreign exchange gains have increased by AUD\$2.3 million for the quarter due to movements in exchange rates predominately as a result of the USD continuing to strengthen against the AUD (Spot at September 2014 0.8725, compared to September 2015 0.6976), with movement of more than 0.17cents over the twelve month period. This item includes unrealised foreign exchange on intercompany loans of subsidiaries denominated in a different functional currency, unrealised foreign exchange on foreign cash held in Australian bank accounts and realised foreign exchange gain/loss on cash payments made to international suppliers.

Finance expenses have increased for the quarter by AUD\$2.7 million, due to unfavourable exchange rate movements on the USD denominated interest payments/accruals for the First and Second Lien Secured Notes and Convertible Notes.

Other financial instruments expense has increased by AUD\$3.8 million for the quarter compared to the comparative quarter, primarily due to the removal of the requirement to revalue the embedded derivative component of the Convertible Note and record any movements in fair value through profit and loss. During the current quarter, movement primarily relates to the foreign exchange rate fluctuations on the Convertible Note (AUD\$17.1 million), which was slightly offset by the gain recognised on the US Commodity Swaps (AUD\$5.2m).

*Statement of Financial Position*

Current assets of the Group have increased by AUD\$0.1 million during the three month period from 30 June 2015 as a result of:

- Cash and cash equivalents increased by AUD\$3.6 million (refer to statement of cash flows for a breakdown of movements);
- Inventories have increased by AUD\$0.8 million;
- Assets classified as held-for-sale have decreased by AUD\$2.1 million due to the unfavourable movement in the share price of the listed investment; and
- Other financial assets decreased by AUD\$3.6 million primarily resulting from the unwind of the US Hedges (Calendar year 2016).

Non-current assets of the Group have increased by AUD\$29.6 million predominately due to:

- Oil and gas assets increased by AUD\$25.4 million. This is comprised of capital additions of AUD\$8.3 million and a favourable movement in foreign exchange rates of AUD\$42.3 million, however offset by depletion/depreciation of AUD\$25.4 million; and
- Intangibles have increased by AUD\$6.1 million predominately due to the favourable movement in foreign exchange rates for US held intangibles.

Current liabilities of the Group have increased by AUD\$47.9 million predominately due to:

- Trade and other payables have increased by AUD\$22.5 million due to the Interest Accrual for the High Yield Notes (AUD\$18.6m) and Convertible Note (AUD\$4.4m), which was slightly offset by a reduction in creditors (AUD\$0.8m) as a result of the Company's continued efforts to pay down outstanding creditors in the USA;
- Borrowings have increased by AUD\$22.9 million primarily due to the unfavourable revaluation effects of the Company's US dollar denominated debt, driven by the strengthening USD and voidance of the shares issued in error;
- Provisions have increased by AUD\$2.4 million predominately due to an increase in USD denominated employee entitlement provisions.

Non-current liabilities have increased by AUD\$54.6 million predominately due to:

- Borrowings have increased by AUD\$49.8 million as a result of the following movements:
  - Net increase of AUD\$15.9 million from the issue of First Lien Senior Secured Notes mainly due to unfavourable foreign exchange movements;
  - Increase of AUD\$33.7 million in Senior Secured Notes mainly due to unfavourable foreign exchange movements; and
- Provisions have increased by AUD\$5.5 million due to an increase in the US oil and gas assets rehabilitation obligations, predominately as a result of unfavourable foreign exchange movements.

At 30 September 2015 the Group had a net current liability position of AUD\$203.8 million due to the reclassification of the Convertible Note from non-current to current liabilities in April 2015. Although the Company is in the process of exploring various options with the Note holders to rectify the position, the redemption option date of 10 April 2016 is within 12 months of the reporting date and thus in accordance with International Financial Reporting Standards and Australian Accounting Standards the Note must be classified as a current liability.

*Statement of cash flows*

The cash and cash equivalents of the Group at 30 September 2015 has increased from AUD\$23.2 million to AUD\$26.8 million. A summary of movements for the quarter are below:

Net cash inflows from operating activities of AUD\$7.0 million were predominately comprised of:

- Receipts from customers of AUD\$20.9 million of which AUD\$19.7 million was from US oil and gas sales, AUD\$0.7 million from syngas sales in Uzbekistan, AUD\$0.2 million from clean energy consulting and miscellaneous cash receipts of AUD\$0.3 million;
- Payments to suppliers and employees of AUD\$26.6 million comprising of AUD\$10.6 million in US and Uzbekistan production costs and AUD\$16.0 million in working capital; and
- Net receipts from US oil commodity swaps of AUD\$12.6 million of which AUD\$8.8 million was from the unwind of the 2016 calendar year hedges.

Net cash outflows from investing activities of AUD\$4.5 million were predominately comprised of:

- Payments for exploration intangibles of AUD\$0.7 million predominately for exploration activities for the 2015 Arckaringa drilling program in Australia;
- Payments for exploration and development of US oil and gas assets of AUD\$4.9 million; and
- Net proceeds of AUD\$0.8 million from the sale of shares in one of the Company's available-for-sale assets.

Net cash outflows from financing activities of AUD\$0.04 million were for repayment of finance lease liabilities.

**9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

No forecast or prospect statement was previously provided.

**10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operated and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

Crude oil prices decreased 20% during the quarter, with West Texas Intermediate ("WTI") crude prices averaging USD\$46.48 as compared to USD\$57.85 during the previous quarter. The oil market is likely to remain volatile due to the uncertain supply/demand outlook and the lingering global growth and geo-political concerns, which are likely to impact the Company's performance in financial year 2016. For the remainder of the 2015 calendar year, the Company has WTI swaps at USD\$86.22/bbl and put options at \$55/bbl in place to cover approximately 33% of forecasted production. During the quarter, the Company unwound its 2016 hedges, receiving net proceeds of USD\$6.2 million, and remains unhedged for the 2016 calendar year.

With oil prices forecasted to track at suppressed levels into the near future, the Company continues to implement measures to improve the liquidity position of the business as well as de-risk the Company from external economic variables in order to achieve a long term sustainable financial position.

**11. Dividend**

**a) Any dividend declared for the current financial period reported on?**

None.

**(b) Any dividend declared for the corresponding period of the immediately preceding financial year?**

None.

**(c) Date payable**

Not applicable

**(d) Books closure date**

Not applicable

**12. If no dividend has been declared / recommended, a statement to that effect.**

No dividend has been declared / recommended.

**13. If the Group has obtained a general mandate from shareholders for Interested Persons Transactions (IPTs), the aggregate value of such transactions as required under Rule 920 (1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

No Interested Persons Transactions mandate has been obtained as at reporting date.

**14. Disclose the status on the use of proceeds raised from IPO and any offerings pursuant to Chapter 8 and whether the use of proceeds is in accordance with the stated use. Where the proceeds have been used for working capital purpose, a breakdown with specific details on how they proceeds have been applied must be disclosed.**

	Amount \$'000 SGD	Amount \$'000 AUD
IPO Funds raised	62,220	55,499
Less underwriting commissions	(3,462)	(3,089)
<b>Net IPO proceeds</b>	<b>58,758</b>	<b>52,410</b>

<b>Actual use of proceeds to 30 September 2015:</b>	<b>IPO Funds Raised<sup>1</sup></b>	<b>Utilised to date</b>
	<b>\$'000</b>	<b>\$'000</b>
	<b>AUD</b>	<b>AUD</b>
Conventional Oil & Gas (Umiat Development)	18,315	18,315
Unconventional Oil & Gas (Clean Energy / SAPEX)	22,477	20,974
Working Capital & General Corporate Expenses <sup>2</sup>	5,550	5,550
Expenses in connection with Offering	9,157	9,157
<b>Total use of IPO proceeds to 30 September 2015</b>	<b>55,499</b>	<b>53,996</b>

<sup>1</sup> As disclosed in the IPO prospectus.

<sup>2</sup> Working capital funds have been used primarily for the payments of salaries and office overheads.

As at 30 September 2015, the actual use of proceeds are in accordance with the stated use outlined in the IPO prospectus.

**Additional disclosures required for Mineral, Oil and Gas companies**

**15. (a) Rule 705(6) of Mainboard Listing Rules**

Current quarter funds / cash were mainly used for the following activities

<b>Purpose</b>	<b>Amount \$'000 AUD</b>
US and Uzbekistan production costs	10,643
General working capital - Australia, Asia, Europe, Africa	9,999
General working capital - USA	5,941
US oil and gas exploration and development	4,869
Australian exploration	390
US UCG exploration	229

**15. (b) Projection on the use of funds / cash for the next immediate quarter, including principal assumptions**

The Group's uses of funds / cash for the next quarter (1 October 2015 to 31 December 2015) are forecast to be:

Purpose	Amount \$'000 AUD
US Senior Notes interest	8,594
US Convertible Notes interest	8,839
General working capital - Australia, Asia, Europe, Africa	8,748
US and Uzbekistan production costs	6,717
General working capital - USA	3,799
US Oil and Gas development	5,534
Exploration drilling program	195
<b>Total Forecast use of funds for Q2 FY16 <sup>1</sup></b>	<b>42,426</b>

<sup>1</sup> Expenditure for Q2 FY16 will be funded by current cash balances, revenues from oil and gas sales, proceeds from the Company's hedge portfolio and funds raised from the sale of non-core, liquid listed security holdings.

**15. (c) Rule 705(5) and Rule 705(6) of the Mainboard Listing Rules**

The Board of Directors confirms that to the best of their knowledge, nothing has come to their attention which may render the above information provided to be false or misleading in any material aspect.

**16. (a) Rule 705(7)(a) of the Mainboard Listing Rules**

**Details of exploration (including geophysical surveys), development and/or production activities undertaken by the Company and summary of the expenditure incurred on those activities, including explanations for any material variances with previous projections, for the period under review. If there has been no exploration, development and/or production activity respectively, that fact must be stated.**

During the First quarter 2016, cash payments for the following exploration, development and/or production activities were made:

Purpose	Amount \$'000 AUD
US and Uzbekistan production costs	10,643
US oil and gas exploration and development	4,869
Australian exploration	390
US UCG exploration	229

**16. (b) Update on reserves and resources, where applicable, in accordance with the requirements set out in Practice Note 6.3, including a summary of reserves and resources as set out in Appendix 7.5**

There have been no material changes to the reserves or resources during the period.

**17. Events occurring after reporting date**

*Asset Sale Agreement*

Effective 1 October, the Company entered into an agreement with a third party to sell its Assets classified as held- for-sale, with proceeds realised over the remainder of financial year 2016.

*Annual General Meeting*

The Company's Annual General Meeting (AGM) was held on Thursday 29<sup>th</sup> October 2015. All resolutions set forth in the Notice of the AGM dated 1 October 2015 were passed by way of a poll.

**18. Rule 720(1) of the Mainboard Listing Rules**

The Company confirms it has procured undertakings from all of its directors and executive officers (in the format set out in Appendix 7.7).

A handwritten signature in blue ink, appearing to read 'C. Ricato', written over a dotted line.

**BY ORDER OF THE BOARD  
CRAIG RICATO  
CEO & Managing Director**

**13 November 2015**