



## LIQUEFIED NATURAL GAS LIMITED

### Quarterly Highlights

#### Corporate

- A placement of 14.8 million new shares in the Company at \$2.60/share was completed on 6 August 2014 and raised \$38.6 million.
- OSMR® Process patent was granted in Canada.
- The Company entered the ASX S&P 200 Index.
- Mr Michael Mott was appointed as the Company's Houston based Chief Financial Officer.
- Mr Paul Cavicchi was appointed as the Company's first US based Non-Executive Director.
- Cash balance of \$63.9 million as at 30 September 2014.

#### Magnolia LNG Project, Lake Charles, Louisiana, United States

- US DOE announced proposed changes to its procedures for processing applications to export LNG to non-FTA countries.
- Continued with the completion of FEED and negotiations with SKEC for a binding EPC contract.
- Continued negotiations with all four proposed Tollers parties.
- Continued to progress with the US Federal Energy Regulatory Commission (FERC) for all necessary permits and approvals for the development of the project.

#### Bear Head LNG Project, Nova Scotia, Canada

- The Company expanded its presence in the North American LNG sector by purchasing Bear Head LNG Project for US\$11 million from a subsidiary of Anadarko Petroleum Corporation.
- The Company plans to turn Bear Head into an 8 mtpa LNG export facility with potential for future expansion.

#### Fisherman's Landing LNG Project, Gladstone, Queensland (FLLNG)

- Gladstone Ports Corporation Limited has extended the Option to Lease until 31 March 2015, with option to extend to 31 March 2016.
- The Company has signed a non-binding memorandum of intent (MOI) for gas supply with Tri-Star Petroleum Company (Tri-Star). Tri-Star has certain gas tenures in Queensland which could supply gas to FLLNG

**ASX Code:** LNG  
**OTC ADR Code:** LONGLY  
**ABN:** 19 101 676 779

#### CONTACT DETAILS

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#### BOARD OF DIRECTORS

**Richard Jonathan Beresford**  
Chairman

**Fletcher Maurice Brand**  
Managing Director and  
Chief Executive Officer

**Yao Guihua**  
Non-Executive Director

**Leeanne Kay Bond**  
Non-Executive Director

**Paul Cavicchi**  
Non-Executive Director

**David Michael Gardner**  
Company Secretary

#### ISSUED CAPITAL – 30 Sept 14

461,402,201 shares  
4,260,000 options  
1,120,584 ADRs

#### SUBSTANTIAL SHAREHOLDERS

The Baupost Group, LLC	9.3%
Valinor Management, LLC	7.3%
Claren Road Credit *	6.0%

\* Claren Road Credit Master Fund Ltd and Claren Road Credit Opportunities Master Fund Ltd

## Outlook & Objectives:

### Corporate Objectives

- To finalise the appointment of a second US based Non-Executive Director.
- To appoint a Financial Advisor to evaluate options to further unlock shareholder value in North America.
- To evaluate and secure a “third’ North American LNG opportunity.

### MLNG Project, Lake Charles, Louisiana, United States

- Execute definitive Tolling Agreement for firm capacity of 3.4 mtpa from the first two trains with a design capacity of 4mtpa.
- Execute an Engineering, Procurement and Construction (EPC) Contract including a fixed lump sum turnkey capital cost.
- Secure the release of a Notice of Schedule and the Draft Environmental Impact Statement (DEIS) from FERC.

### Bear Head LNG Project, Nova Scotia, Canada

- Secure permits and licences to change the Bear Head LNG site from an approved 11.3 mtpa import terminal to a 8 mtpa LNG export terminal
- Submit and secure a LNG export license from the Canadian National Energy Board.
- Obtain Letters of Intent to secure Tolling capacity in the Bear Head LNG Project.
- Enter into gas pipeline capacity agreements to supply gas to Bear Head LNG.
- Integrate the Magnolia LNG FEED with the existing FEED work completed by Anadarko Petroleum Corporation.

### Fisherman’s Landing LNG Project, Gladstone, Queensland

- Work with Tri-Star Petroleum Company on gas supply for 90 PJ/year (260 TJ/d) to FLLNG.
- Continue to actively seek additional gas supply for FLLNG.
- Continue to progress discussions with potential LNG Tollers.

### OSMR<sup>®</sup> Technology

- Continue to secure global patents.

## Review of Projects under Development

### Magnolia LNG Project, Lake Charles, Louisiana, United States – 100% owned

The Company continues to make significant progress in relation to its proposed MLNG Project.

The MLNG Project comprises the proposed development of an 8 mtpa LNG export project on a 115 acre site, in an established LNG shipping channel in the Lake Charles District. The development is based on the staged development of 4 x 2 mtpa LNG production trains using the Company's wholly owned OSMR<sup>®</sup> LNG process technology and the completed LNG plant front end engineering and design for the Company's Fisherman's Landing LNG Project, in Gladstone, Australia.

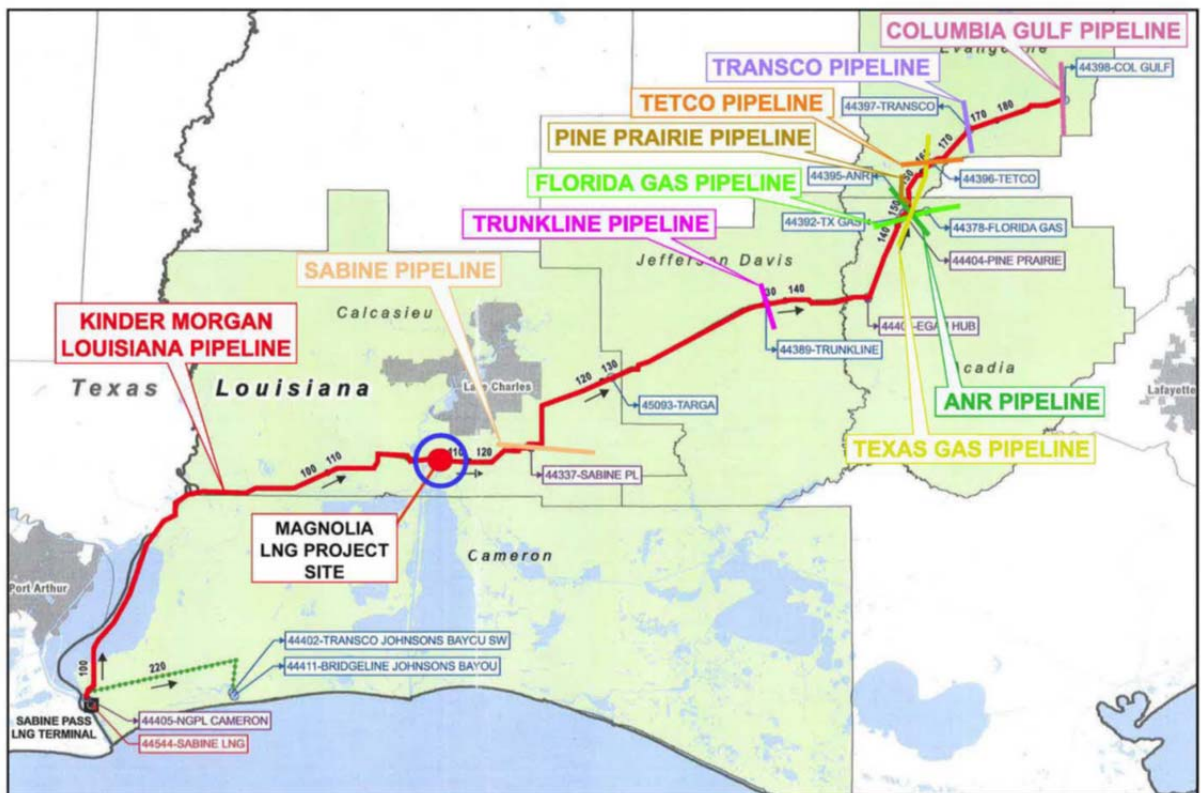


Progress during the September 2014 Quarter included:

1. Following the application filed with the US Federal Energy Regulatory Commission (**FERC**) seeking authorisation for the siting, construction, ownership and operation of the proposed Magnolia LNG Project, the Company continues to make progress with FERC and has achieved a number of milestones:
  - a. Kinder Morgan Louisiana Pipeline (**KMLP**) and MLNG both received Environmental Information Requests from FERC, dated 18 August 2014 and 20 August 2014, respectively, in response to their April 30 and June 30 FERC applications. These Information Requests allow FERC to clarify certain aspects of the filings to assist FERC in the development of the combined Draft Environmental Impact Statement for the projects. On Friday, 5 September 2014, MLNG submitted to FERC responses to every question posed by FERC Staff in the Environmental Information Request;
  - b. The US Coast Guard (**USCG**) has issued a Letter of Recommendation dated September 15, 2014, approving the Project's Waterway Suitability Assessment to work towards;
  - c. The Department of Transportation's (**DOT**) Pipeline and Hazardous Materials Safety Administration (**PHMSA**) has issued a Letter of No Objection to FERC dated September 17, 2014, approving the Project's design spill methodology;
  - d. On Thursday 23 October 2014, both MLNG and Kinder Morgan Louisiana Pipeline (**KMLP**) received follow-up data requests from FERC covering additional questions on the

environmental aspects of the projects. These additional questions are normal and MLNG will respond directly to the Information Requests it receives from FERC;

- e. On Friday 24 October 2014, MLNG submitted responses to FERC's second Information Request covering seismic and geotechnical information; and
  - f. The Company expects to receive an Information Request on both the technical and safety Resource Reports submitted in the near future. Responses to this Information Request from FERC and any other clarifications required, need to be addressed in order for FERC to issue a Notice of Schedule for Environmental Review followed by the Draft Environmental Impact Statement.
2. United States Department of Energy (DOE) announced proposed changes to the procedures it will use to process applications to export LNG to non-free trade agreement (non-FTA) countries. The DOE announcement included process changes, economic studies and the availability of environmental reports to the public. The Company has approval to export only to FTA countries. Securing Non-FTA approval will allow the Company's proposed LNG Toller's to export their LNG to all major global LNG markets.



**Map of the Kinder Morgan Louisiana Pipeline which transverses Magnolia LNG Project's site**

3. The Magnolia LNG Project execution team has been expanded to include:
- a. **Rafael Hernandez as Vice President, Engineering and Construction.** Rafael has joined Magnolia after more than 20 years with global EPC company Bechtel Corporation. Prior to this appointment, Rafael was the Construction Manager on the Cheniere Sabine Pass LNG Project in Louisiana. Rafael's experience comprises project, functional and construction management positions on LNG and other projects in Louisiana, Texas, Mexico, US Virgin Islands and Thailand. Rafael has a Bachelor of Science in Civil Engineering from the University of Pennsylvania;
  - b. **Gregory Pilkinton as EPC Commercial Director.** Gregory has joined the Magnolia team from the role of Commercial Manager on the Ichthys LNG project based in Darwin, Australia. Gregory has

some 15 years' experience in EPC and related commercial appointments with the majority of that time with the KBR Group of Companies; and

- c. **Ron Hogan as EPC Planning Director.** Ron spent the last two years with CB&I as VP/Executive Project Director on US based LNG Projects in the Gulf States. From 2007 to 2012, Ron was based in Brisbane Australia as VP, Project Execution for Clough Limited on LNG and related projects, and from 1975 to 2007 with the KBR Group working on the Gorgon LNG, Malaysia Tiga LNG and Bontang Train H LNG projects as well as other petrochemical projects in Louisiana and international locations.

**4. Engineering, Procurement and Construction Contract with SKE&C Group**

During the quarter, FEED continued to be progressed with the SKE&C Group. Draft EPC contracts were exchanged together with contract schedules. All parties are continuing to work towards a commitment to agree the EPC contract and update capital costs by the end of November 2014.

**5. Tolling Agreements**

Draft Liquefaction Tolling Agreements (LTA's) continued to be exchanged with:

- Gas Natural SDG S.A. (1.7 mtpa);
- Brightshore Overseas Ltd (Gunvor – 1.7 mtpa);
- LNG Holdings (1.7 mtpa); and
- AES Latin American Development Ltd (0.8 mtpa to 1.0 mtpa).

These potential LTA's total 6.8 mtpa to 7 mtpa. The Company has held meetings with additional parties and maintains an active list of potential Tolling parties to enter into LTA's.

**6. Project Finance**

During the quarter, Magnolia LNG's Project Financial Advisor, BNP Paribas, engaged White and Case as Lenders Lead Legal Counsel. Kean Miller LLP was engaged in October as Lenders Local Legal Counsel.

**Bear Head LNG Project in Richmond County, Nova Scotia, Canada – 100% owned**

On 28 July 2014, the Company announced that it had significantly expanded its presence in the North American Liquefied Natural Gas (LNG) sector by signing an agreement to acquire 100% of Bear Head LNG Corporation (**BHLC**) from a subsidiary of Anadarko Petroleum Corporation for US\$11.0 million.

The Bear Head LNG Project is located in Richmond County, Nova Scotia, Canada, and the key assets include:

- **A 255-acre site** comprising industrial-zoned land (180 acres) and deep-water acreage (75 acres) as well as foundations in place for two 180,000 cubic meter LNG tanks. The land has been cleared, a majority of site works completed and roads constructed.
- **The Project Rights** of the previously proposed LNG import terminal, including all assets, rights and obligations associated with the Bear Head project.

This acquisition, which was finalised on 27 August 2014, is in line with LNGL's strategy of acquiring sites in North America where the Company can replicate its Magnolia LNG Project and fast-track development by using its existing LNGL development team and its OSMR® technology.

LNGL plans to transform Bear Head into an 8 mtpa LNG export facility with potential for future expansion.

The Company has already developed a gas supply plan and a transportation plan, and has interest from several parties to enter into Tolling Agreements, adopting the same business model as the Magnolia LNG Project.

LNGL has undertaken due diligence on Bear Head since October 2013. All permits and approvals are expected by mid-2015, and LNGL will make a Final Investment Decision late 2015 and 2016.

Figure 1: Aerial View of the Bear Head LNG Project Site, Nova Scotia, Canada



### **Fisherman's Landing LNG Project, Gladstone, Queensland – 100% owned**

The Company announced on the 31 October 2014 that the Gladstone Ports Corporation had agreed to extend the Option to Lease to 31 March 2015, with a payment of \$500,000, and a further extension (at the Company's option, to 31 March 2016, with a further payment of \$1 million).

The Company also announced on the 31 October 2014 that it had executed a non binding Memorandum of Intent with Tri Star Petroleum Company to supply 90 PJ/year for 20 years to Fishermans Landing. This is sufficient gas supply to produce 1.5 mtpa of LNG, which would be targeted to supply into the Asian market.

The parties will now work together to progress a Gas Supply Agreement and, with the end LNG buyer, a Liquefaction Tolling Agreement

## **Review of Research and Patent Activities**

### ***LNG Technology and Patents – 100% owned***

LNG Technology Pty Ltd, owned 100% by the Company, is the LNG technology research and development entity within the group and the owner of the OSMR<sup>®</sup> LNG process technology.

The OSMR<sup>®</sup> process is based on a proven simple single mixed refrigerant system with the addition of conventional combined heat and power and ammonia refrigeration technology to significantly enhance the plant performance (LNG output and overall process efficiency).

This results in a plant cost of around half that of competing technologies (based on \$/tpa) and an overall plant efficiency which is around 30% better than others (with a 30% reduction in carbon emissions). This, together with the Company's plant and construction strategy, substantially improves LNG project economics.

The OSMR<sup>®</sup> process is planned to be used in the Company's 3.8 mtpa Fisherman's Landing LNG Project, the proposed 8 mtpa Magnolia LNG Project in Louisiana, United States and the proposed 8mtpa Bear Head LNG Project located in Richmond County, Nova Scotia, Canada.

The Company continues to further its international patent applications, which cover two engineering design features (being the basis of the Company's OSMR<sup>®</sup> process), entitled:

- A Method and System for Production of Liquid Natural Gas; and
- Improvements to the OSMR<sup>®</sup> process (applications only filed in Australia and USA).

The Company is also progressing a patent application over another wholly developed and owned process, entitled "Boil-off Gas Treatment Process and System".

The current status of patent applications filed by the Company in various countries is as follows:

OSMR <sup>®</sup> Process					
Country *	Patent Status				
	Filed	Published	Examination in Progress	Accepted	Granted
Australia	✓	✓		✓	✓
Brunei					✓
Canada	✓	✓	✓		✓
China	✓	✓	✓	✓	✓
ARIPO	✓	✓	✓	✓	✓
OAPI	✓	✓		✓	✓
Eurasia	✓	✓	✓	✓	✓
Europe	✓	✓	✓		
Hong Kong	✓			✓	✓
India	✓	✓	✓		
Indonesia	✓	✓	✓		
Israel	✓	✓		✓	✓
Japan	✓	✓	✓		
New Zealand	✓	✓	✓	✓	✓
Philippines	✓	✓	✓		
Singapore	✓	✓	✓	✓	✓
South Africa	✓	✓		✓	✓
Ukraine	✓	✓	✓	✓	✓
Vietnam	✓	✓	✓		

\* Note: Patent applications have also been filed in Brazil, South Korea and USA.

OSMR <sup>®</sup> Process Further Improvements					
Country *	Patent Status				
	Filed	Published	Examination in Progress	Accepted	Granted
Australia	✓	✓	✓	✓	✓
USA	✓	✓	✓		

<i>BOG Treatment Process</i>					
	Patent Status				
Country*	Filed	Published	Examination in Progress	Accepted	Granted
Australia	✓	✓	✓	✓	✓
Brunei					✓
Canada	✓	✓	✓	✓	✓
China	✓	✓		✓	✓
ARIPO	✓	✓	✓	✓	✓
OAPI	✓	✓		✓	✓
Brazil	✓	✓	✓		
Eurasia	✓	✓	✓	✓	✓
Europe	✓	✓	✓		
Hong Kong	✓	✓	✓	✓	✓
India	✓	✓	✓		
Indonesia	✓	✓	✓		
Israel	✓	✓		✓	✓
Japan	✓	✓	✓		
New Zealand	✓	✓		✓	✓
Philippines	✓	✓	✓		
Singapore	✓	✓	✓	✓	✓
South Africa	✓	✓		✓	✓
Ukraine	✓	✓		✓	✓
Vietnam	✓	✓	✓		

\* Note: Patent applications have also been filed in South Korea and USA.

Although most jurisdictions have differing methods to progress patents, the following stages are typical of the patent grant process:

1. Patent applications are filed in a particular country;
2. Patents are then published;
3. Patents are examined and an examination report may be issued;
4. A response is filed, by the applicant, to the examination report (if required);
5. If all is in order, a patent is accepted and open for third party opposition; and
6. In the absence of any valid third party opposition the patent is granted for a term of 20 years.



## Review of Corporate Developments

No exploration expenditure was incurred by the Company during the quarter

### *Capital Structure as at 30 September 2014*

Class of Security	Issued	Quoted
Fully Paid Ordinary Shares	461,402,201	461,402,201
Options Issued	4,260,000	-
Performance Rights	-	-

### Placement

On 30 July 2014, LNGL announced it had raised A\$38.6 million (pre costs) with a placement of 14,873,186 ordinary shares at A\$2.60 to US institutional investors (**Placement**). The Placement was made under the Company's placement capacity in accordance with ASX Listing Rules 7.1 and 7.1A and was completed on 6 August 2014.

The Capital Raising was used to:

- (i) fund the acquisition of 100% of Bear Head LNG Corporation (**BHLC**) from a subsidiary of Anadarko Petroleum Corporation for US\$11.0 million following the ASX announcement on Monday 28<sup>th</sup> July 2014; and
- (ii) fund the development (including the FEED Study, permit and regulatory approvals and all Project Documentation) of the Bear Head LNG Export Project through to a possible Final Investment Decision in 2016.

### American Depositary Receipts

On 20 January 2014, the Company announced that it has arranged for the quotation of its American Depositary Receipts (**ADRs**) on the OTC International platform in the United States.

The Company's ADRs trades under the symbol "**LNGLY**" and represent 1 ADR for every 4 ordinary Company shares (the ratio was previously 1:40). LNG Ltd will continue to trade under the symbol "LNG" on the Australian Securities Exchange ("**ASX**").

The ADRs enable qualifying non-US companies to have direct exposure to the US investment community. This will complement the Company's listing on the ASX.

As at 30 September 2014, 1,120,584 ADR's have been issued.

**Appendix 5B – attached to this quarterly report.**

# Appendix 5B

## Mining exploration entity quarterly report

Name of entity

LIQUEFIED NATURAL GAS LIMITED

ABN

19 101 676 779

Quarter ended ("current quarter")

30 September 2014

### Consolidated statement of cash flows

	Current quarter	Year to date (3 months)
	\$A'000	\$A'000
<b>Cash flows related to operating activities</b>		
1.1 Receipts from customers & ATO	21	21
1.2 Payments to suppliers and employees		
(a) exploration and evaluation	-	-
(b) project development	(23,276)	(23,276)
(c) production	-	-
(d) administration and others	(1,286)	(1,286)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	263	263
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other – R&D tax concession rebate	-	-
<b>Net operating cash flows</b>	<b>(24,278)</b>	<b>(24,278)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(117)	(117)
(d) shares	-	-
1.9 Proceeds from sale of:		
(a) Prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
(d) shares	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other	-	-
<b>Net investing cash flows</b>	<b>(117)</b>	<b>(117)</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(24,395)</b>	<b>(24,395)</b>

1.13	Total operating and investing cash flows (brought forward)	(24,395)	(24,395)
1.14a	<b>Cash flows related to financing activities</b> Proceeds from issue of shares and exercise of share options	38,710	38,710
1.14b	Less : Share issue costs	(2,166)	(2,166)
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Repayment of finance lease principal & interest	(1)	(1)
	<b>Net financing cash flows</b>	<b>36,543</b>	<b>36,543</b>
1.20	<b>Net increase/(decrease) in cash held</b> Cash at beginning of quarter/year	12,148 50,939	12,148 50,939
1.21	Net foreign exchange differences	1,905	1,905
1.22	<b>Cash at end of quarter</b>	<b>64,992</b>	<b>64,992</b>

### Payments to directors of the entity and associates of the directors

#### Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	242
1.24	Aggregate amount of loans to the parties included in item 1.10	-
1.25	Explanation necessary for an understanding of the transactions	
	Payments pursuant to 1.23 comprise: Non-Executive Directors' Fees \$99,379 (excl. GST); and Executive Directors' Remuneration \$143,475.	

### Non-cash financing and investing activities

2.1	Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows
	None in this quarter.
2.2	Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest
	None in this quarter.

### Financing facilities available

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

### Estimated cash outflows for next quarter

		\$A'000
4.1	Exploration and evaluation	-
4.2	Project development	19,079
4.3	Production	-
4.4	Administration	1,701
	<b>Total</b>	<b>20,780</b>

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter \$A'000	Previous quarter \$A'000
5.1	Cash on hand and at bank	40,047	15,894
5.2	Deposits at call	24,945	35,045
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
	<b>Total: cash at end of quarter (item 1.22)</b>	<b>64,992</b>	<b>50,939</b>

### Changes in interests in mining tenements

		Tenement reference	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	-	-	-	-
6.2	Interests in mining tenements acquired or increased	-	-	-	-

### Issued and quoted securities at end of current quarter

		Total number	Number quoted	Issue price per security (cents)	Amount paid up per security (cents)
7.1	<b>Preference +securities</b>	-	-	-	-
7.2	Changes during quarter	-	-	-	-
7.3	<b>+Ordinary securities</b>	461,402,201	461,402,201	-	-
7.4	Changes during quarter (a) Increases through issues:  (i) Share placement  (b) Increases through conversion of options  (c) Decreases through returns of capital, buy-backs  <b>TOTAL CHANGES</b>	  14,873,186  50,000  -  <b>14,923,186</b>	  14,873,186  50,000  -  <b>14,923,186</b>	  260 cents  79.2 cents  -  <b>-</b>	  260 cents  79.2 cents  -  <b>-</b>
7.5	<b>+Convertible debt securities (description)</b>	-	-	-	-
7.6	Changes during quarter	-	-	-	-

		Total number	Number quoted	Issue price per security (cents)	Amount paid up per security (cents)
7.7	<b>Options</b>	<i>Number</i>		<i>Exercise price</i>	<i>Expiry date</i>
	(a) Options over ordinary shares, exercisable at 79.2 cents	-	-	79.20 cents	2 August 2014
	(b) Options over ordinary shares, exercisable at 24 cents	920,000	-	24 cents	7 August 2016
	(c) Options over ordinary shares, exercisable at 26 cents	920,000	-	26 cents	7 August 2016
	(d) Options over ordinary shares, exercisable at 28 cents	920,000	-	28 cents	7 August 2016
	(e) Options over ordinary shares, exercisable at 46.5 cents	1,500,000	-	46.5 cents	19 December 2016
	<b>TOTAL OPTIONS</b>	<b>4,260,000</b>	-		
7.8	Options issued during quarter	-	-	-	-
7.9	Options exercised during quarter	<i>Number</i>		<i>Exercise price</i>	<i>Expiry date</i>
	(a) Options over ordinary shares, exercisable at 79.2 cents	50,000	50,000	79.20 cents	2 August 2014
	<b>TOTAL</b>	<b>50,000</b>			
7.10	Options expired/cancelled during quarter	-	-	-	-
7.11	<b>Performance Rights</b>	-	-	-	-
7.12	Performance rights issued during quarter	-	-	-	-

		Total number	Number quoted	Issue price per security (cents)	Amount paid up per security (cents)
7.13	Performance rights exercised during quarter	-	-	-	-
7.14	Performance rights expired/cancelled during quarter	-	-	-	-
7.11	<b>Debentures</b> (totals only)	-	-	-	-
7.12	<b>Unsecured notes</b> (totals only)	-	-	-	-

### Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.



David Michael Gardner  
Company Secretary

31 October 2014

### Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities.** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* applies to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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