



ABN 96 009 217 154

17 February 2014

ASX Limited

Electronic lodgement

PLACEMENT OF SHARES

Xstate Resources Limited advises that it has placed 20,000,000 fully paid ordinary shares at 5 cents each to raise \$ 1,000,000 in working capital. The placement was made pursuant to Section 708 of the Corporations Act and Rule 7.1 of the ASX Listing Rules.

The funds will be used to fund the Company's exploration activities and for working capital requirements.

The placement is unconditional and is due to settle on 19 February 2014.

Managing Director Paul Cartwright comments on the placement:

"These funds will enable Xstate to purchase additional 2D seismic data and expand the scope of our joint venture leasing and prospect capture within the Sacramento Basin in California."

On behalf of the Board of Directors