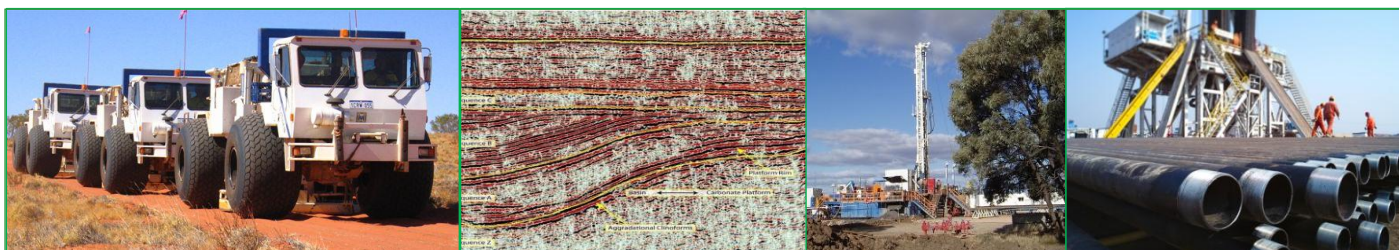


Quarterly Activity Report

Period ending 31st March 2014



HIGHLIGHTS

Corporate:

- Share Purchase Agreement signed to acquire the remaining 62.5% of Otway Energy Pty Ltd.
- Sales Purchase Agreement signed with Adelaide Energy Pty Ltd to purchase 100% of PRL13 (Killanoola Oil Field), Otway Basin, South Australia.

Finance:

- Sale of six million ordinary shares in Central Petroleum Limited to fund the purchase of PRL13 and Otway Energy.

Operations:

- Otway Energy continued discussions with potential strategic farm-in partners for its PEL154 and PEL155 exploration licences.
- Exploration Licence ATP837 in the Surat Basin has been relinquished.
- Otway Energy has had an application to suspend both the PEL 154 and PEL 155 exploration licences for a period of up to six months approved by the regulator.

ASSET SUMMARY (as at end of Quarter)

Permit/Asset	Basin	Rawson Interest (%)	Gross Area (km ²)	Operator
PEL 154	Otway	100 ¹	302	Otway Energy
PEL 155	Otway	100 ¹	226	Otway Energy
Udacha Block	Cooper	10	14	Beach Energy
PRL 13	Otway	100 ²	18	Rawson Resources

¹ Subject to shareholder approval

² Subject to regulatory approval

Rawson Resources Limited is an oil and gas Exploration Company focussed on onshore assets in high value strategic basins within Australia, with key assets in the Otway and Cooper basins. Rawson are currently participating in a Joint Venture with Beach Energy (ASX: BPT) and DrillSearch (ASX: DLS).

The company has interests in other oil & gas exploration companies through shareholdings in Central Petroleum Limited and Kea Petroleum Plc. In relation to the Company's future cash requirements the Company controls approximately \$3.0 million (before disposal costs) of listed securities which have been categorised as 'Available for Sale' in the 'Financial Report'. The Company can at any time in the future dispose of the listed securities to fund future costs.

CONTACTS:

Rawson Resources Limited
ASX Code: RAW
www.rawsonresources.com

Sydney Office:

Level 4
95 Pitt St, Sydney 2000
Australia

Postal Address:

GPO Box 3374
Sydney NSW 2001
Australia

Tel: +61 2 8249 8370

Fax: +61 2 8079 0702

DIRECTORS:

Chairman:

Mr Simon Bird

Non-executive Directors:

Mr Richard Ash
Mr Paul Adams
Mr Allister Richardson

OFFICERS:

Chief Executive Officer:

Dr Scott Brownlaw

Company Secretary:

Mr Richard Holstein

CORPORATE

REGISTRY:

Boardroom Pty Ltd

Level 7, 207 Kent Street
Sydney NSW 2000
GPO Box 3993
Sydney NSW 2001
Tel: +61 2 9290 9600
Fax: +61 2 9279 0064

Consolidated Statement of Cash Flow

Operating Activities

Cash Inflows ('000s)	Qtr 2 2014	Qtr 3 2014	YTD
Proceeds from sale of permits	-	-	
Interest received	6	5	17
	<u>6</u>	<u>5</u>	<u>17</u>

Cash Outflows ('000s)

Exploration Expenditure	(36)	(52)	(133)
Administration	(245)	(223)	(674)
	<u>(281)</u>	<u>(276)</u>	<u>(807)</u>
Net Operating Cash Flows	<u>(275)</u>	<u>(271)</u>	<u>(790)</u>

Investing Activities

Cash Flows ('000s)		1,903	1,903
Net Investing Cash Flows	<u>-</u>	<u>1,903</u>	<u>1,903</u>

Financing Activities

Cash Flows ('000s)			
Net Financing Cash Flows	<u>-</u>	<u>-</u>	<u>-</u>

NET CONSOLIDATED CASHFLOWS	<u>(275)</u>	<u>1,632</u>	<u>1,113</u>
-----------------------------------	--------------	--------------	--------------

Cash Position ('000s)

Opening Cash	607	332	851
Exchange Rate adjustments			
NET CASH ON HAND	<u>332</u>	<u>1,964</u>	<u>1,964</u>

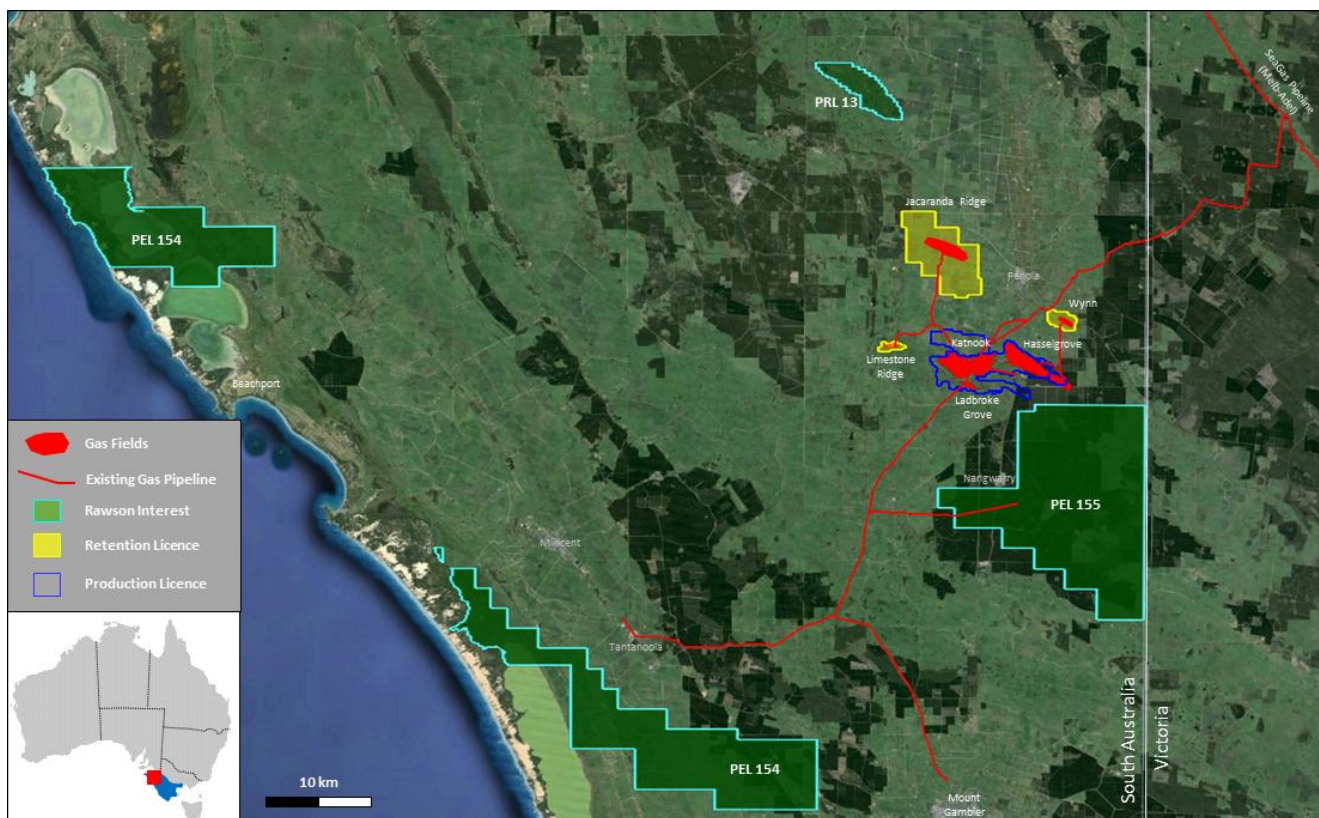
Corporate Activities

Otway Energy Acquisition

Rawson Resources advised the market (17th January 2014) it had signed subject to shareholder approval a Share Purchase Agreement to acquire the 62.5% of Otway Energy Pty Ltd. Rawson currently hold 37.5% of Otway Energy. The acquisition is consistent with the corporate objectives and will deliver:

- Ownership of two prospective exploration assets in the Otway Basin; PEL154 and PEL155
- Value creation with a consideration well below the independent valuation (\$4-10 million for 62.5%)
- Operatorship to drive exploration strategy;
- Ability to manage the farm-out process to attract strategic partners with similar exploration/growth strategies; and
- A transaction considered Fair & Reasonable by an Independent Expert

The consideration for the purchase was \$2.0 million cash, which constitutes the reimbursement of exploration costs expended on the permits, and a royalty was granted on future production. During the quarter Rawson engaged an Independent Expert to prepare report on the fairness and/or reasonableness from the perspective of the non-associated shareholders. The report determined the transaction to be both fair and reasonable. This report is in support of the technical report undertaken by AWT on the value of the permits. Based on this the Rawson board recommends shareholders approve the transaction at an Extraordinary General Meeting on 16th May, 2014.



Rawson Interest - Otway Basin

Petroleum Retention Licence 13 (PRL 13) Acquisition

Rawson advised the market (5th March 2014) it had signed a Sales Purchase Agreement with Adelaide Energy Pty Ltd (subsidiary of Beach Energy Limited) to purchase 100% of the Killanoola Oil Field (PRL13), Otway Basin, South Australia. The purchase is conditional on regulatory approval.

The total consideration of \$600,000 includes the permit & mining information and production equipment. The equipment at the Killanoola-1 DW-1 well site includes a 1,000 barrel storage tank, rod pump and down-hole rod string.

Financial Activities

Share Holdings

In relation to the Company's future cash requirements the Company controls approximately \$3.0 million (before disposal costs) of listed securities which have been categorised as 'Available for Sale' in the 'Financial Report'. The Company can at any time in the future dispose of the listed securities to fund future costs.

During the quarter Rawson traded six million ordinary shares in Central Petroleum. The shares were traded to cover the purchases of Otway Energy and the Killanoola Oil Field.

Rawson currently holds four million ordinary shares in Central Petroleum Limited, representing 1.3% of the company. Rawson also holds over 27 million ordinary shares in Kea Petroleum Plc, representing 3.7% of the company.

Exploration Activities

Otway Basin

Otway Energy has had an application to suspend both the PEL 154 and PEL 155 exploration licences for a period of up to six months approved by the regulator. This application was made to preserve the time available in the licences to complete the corporate transaction initiated during the quarter.

Otway Energy intends to farm-out drilling commitments in PEL 154 and PEL 155 and discussions with potential farm-in parties continued in the quarter.

PEL 155 - Otway Basin, South Australia

(Otway Energy 100%)

Technical work during the quarter included a visit to the DMITRE Core Store in Adelaide, which focused on examining reservoir development in nearby wells, with the aim of derisking the Nangwarry Prospect prior to drilling.

Otway Energy intends to drill the Nangwarry prospect in 2014/2015 drilling season. The Nangwarry-1 well will target the Pretty Hills reservoirs which have produced gas in the nearby fields. The Nangwarry prospect is considered analogous to the nearby Katnook, Haselgrove and Ladbroke Grove fields which have produced substantial quantities of gas since discovery. The recent re-evaluation of existing 2D and 3D seismic identified four additional conventional leads, providing attractive follow-up targets in the event of a discovery at Nangwarry.

PEL155 is prospective for both conventional and unconventional exploration. The licence is well positioned over the Penola Trough, which has been the subject of unconventional drilling in adjacent blocks during the quarter.

The exploration licence is located in the Otway Basin, South Australia, approximately 10 km southeast of the Katnook Gas Fields, near the town of Nangwarry, South Australia.

PEL 154 - Otway Basin, South Australia

(Otway Energy 100%)

During the quarter samples were collected from core and drilling cuttings from nearby exploration wells, stored at DMITRES Core Store in Adelaide, with the aim of examining the potential of the unconventional shales within the block. PEL154 is well located over the Portland and St Clair Troughs to be prospective for unconventional exploration.

Conventional prospects defined in the PEL 154 licence target the Waarre sandstone. The Waarre sandstone is an important producing reservoir in the eastern Otway Basin with production from the Minerva and Iona Fields. The Benara prospect potentially represents the best test of the Waarre sandstone in the western Otway Basin.

The exploration licence comprises two separate blocks in the Otway Basin, South Australia. The eastern block is located approximately 16 km west of Mount Gambier, while the western block is located approximately 18 km southeast of Robe.

ATP837P - Surat Basin, Queensland

(Conventional Energetica 50% - operator, Rawson 50%)

(Unconventional Energy Australia 70%, Energetica 15%, Rawson 15%)

Following final reporting the Joint Venture was notified on the 21st January, 2014 that the regulator had accepted the relinquishment proposal for exploration licence ATP837. The block is now relinquished.

Appraisal Activities

Udacha Block – Cooper Basin, South Australia

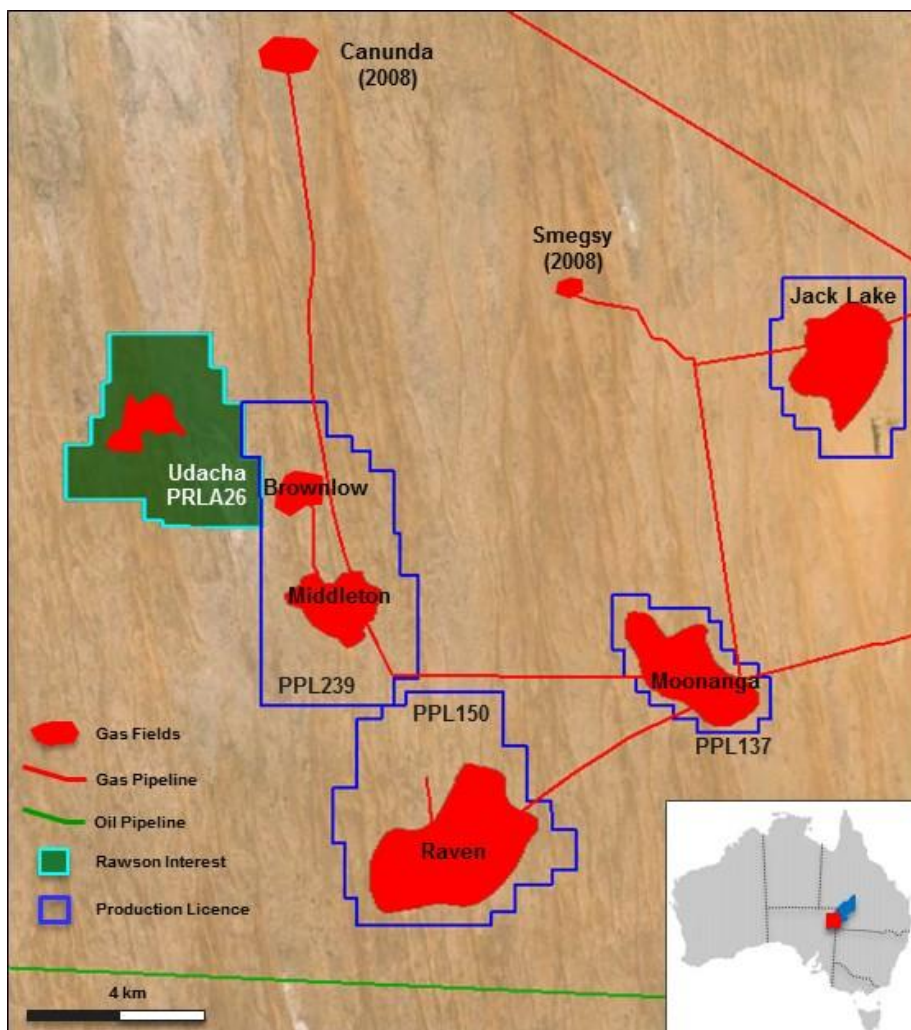
(Beach Energy 15% - operator, Drillsearch 75%, Rawson 10%)

Work continued during the quarter to progress operations in the Udacha Block. The Joint Venture conducted technical studies focusing on the stimulation, completion and testing of the Udacha-1 well. The Joint Venture is also considering further drilling within the block to increase the reserves base.

The Joint Venture remains focused on progressing the Udacha discovery to the production phase and the successful stimulation of the Udacha-1 well and connection is likely to form part of the broader expansion of the near-by Middleton/Brownlow Gas Project in PPL239.

The Udacha gas field was discovered in 2006 by the Udacha-1 well and is located approximately 5 kilometres northwest of the Middleton gas plant and 3 kilometres from the nearby Brownlow field.

The block is located in the Cooper Basin, South Australia, and approximately 4 km west of the Brownlow-1 well and approximately 50 km north west of the Moomba Field.



Rawson Interest - Copper Basin

PRL 13 (Killanoola) – Otway Basin, South Australia

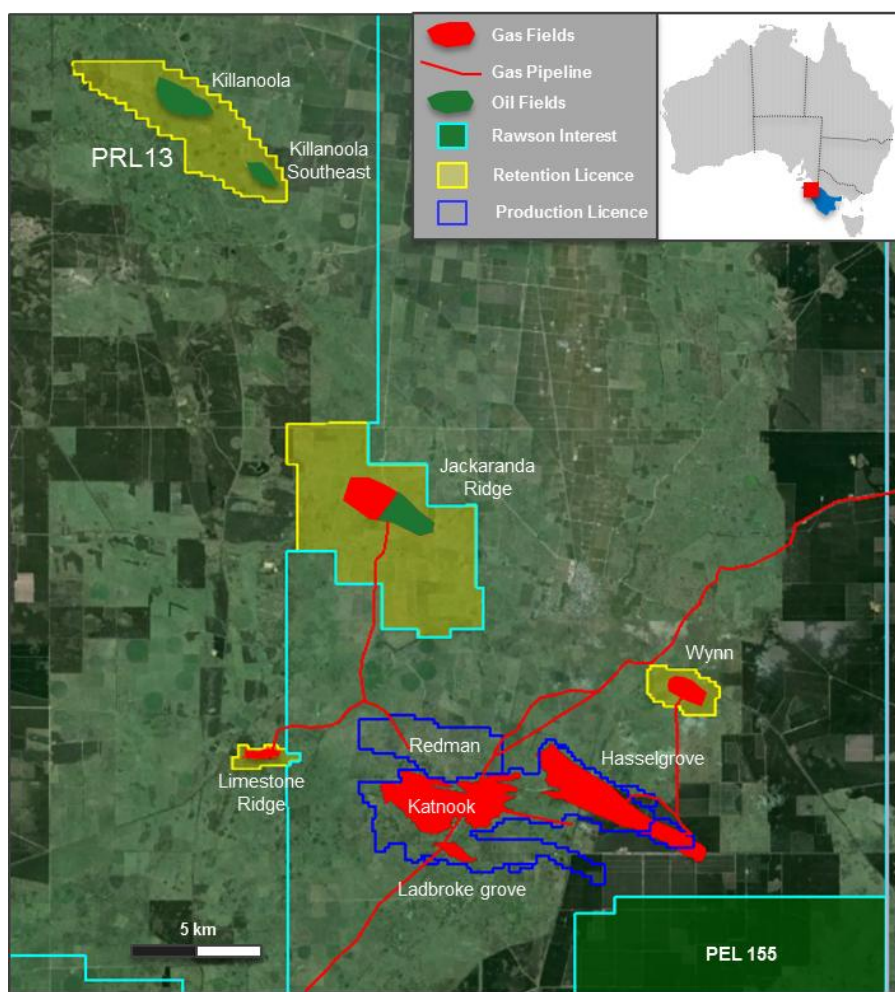
(Rawson 100%)

Rawson acquired the Killanoola Oil Field during the quarter. The transaction is pending regulatory approval. No work was been conducted on the licence during the quarter. Rawson intends to undertake reservoir and engineering studies with the aim to conduct further testing and consider development options for the field.

The field was discovered in 1998 by the Killanoola-1 well. The well was deviated to an up-dip position by the Killanoola-1 DW-1 well and a drill stem test (DST) produced an estimated 118 barrels of oil per day (bopd). A second well, Killanoola SE-1 was drilled in 2011 to test a separate fault block along strike and down dip from the discovery well and also produced oil. The licence also includes an additional untested fault closure south east of Killanoola-1 DW-1, providing some exploration upside potential.

The retention licence is located in the Otway Basin, South Australia and is approximately 25 kilometers northwest of the Katnook Gas Fields.

The previous operator undertook an Extended Production Test (EPT) on the Killanoola-1 DW-1 well in 1999 and initial production rates were consistent with the DST, ranging 100 to 125 bopd. Production stabilised at a lower rate of between 25-35 bopd, with significant inhibition to flow.



Rawson Interest - Otway Basin

Additional information required under ASX LR 5.4.3

Asset Summary

List of petroleum tenements held by Rawson at quarter ending 31 March 2014:

Reference	Project Name	Location	Company Interest	Area (Km2)
PEL 154	Otway	SA	37.5%	302
PEL 155	Otway	SA	37.5%	226
PRLA26	Udacha Block	SA	10.0%	14

There was no petroleum tenements acquired or disposed of during this quarter except as mentioned above. The Company entered into a Share Purchase Agreement to acquire the remaining 62.5% of Otway Energy Pty Ltd which is subject to Shareholder approval and a Sales Purchase Agreement to purchase

100% of PRL13 (Killanoola Oil Field), Otway Basin, South Australia which is subject to regulatory approval. The regulator has approved the Joint Ventures proposal to relinquish 100% of its interest in ATP837.

There were no beneficial interests held in farm-in or farm-out agreements at the end of the quarter.

There were no beneficial interests in farm-in or farm-out agreements acquired or disposed of during the quarter.

Additional information required under ASX LR 5.2.1

There have been no activities relating to oil and gas production or development during the quarter.

For further information contact:

Scott Brownlaw

Chief Executive Officer

Rawson Resources Limited

Tel: (02) 8249 8370

Email: scott@rawsonresources.com

