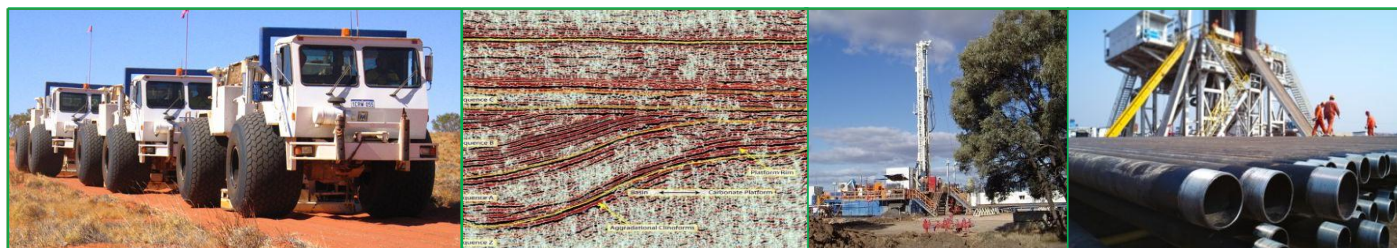


# Quarterly Activity Report

Period ending 30th June 2014



## HIGHLIGHTS

### Corporate:

- Shareholders approved of the purchase of remaining interest in Otway Energy Pty Ltd at an EGM held on the 16<sup>th</sup> May 2014. The transaction was completed on the 23<sup>rd</sup> May 2014

### Finance:

- Sale of four million ordinary shares in Central Petroleum Limited to fund the purchase of Otway Energy Pty.

### Operations:

- PEL 155: Pretty Hill Reservoir Property study commenced
- PEL 154: Unconventional Petroleum Potential study commenced

## SUBSEQUENT EVENTS

### Director Retirement

Mr Paul Adams will retire as a non-executive director of the company at the end of July, 2014.

### Sale of Kea Petroleum Shares

The Company traded 9 million shares in Kea Petroleum. The shares were traded to fund future operations.

### Maiden Statement of Reserves

The Company released its first maiden Reserves Statement on 1<sup>st</sup> July 2014, focusing on the conventional resources and reserves of our assets.

### Farm Out Milestone

Rawson met its first farm out milestone, advising the market on 15<sup>th</sup> July 2014 that it has closed the data room for the two Otway Basin exploration licences.

## ASSET SUMMARY (as at end of Quarter)

Permit/Asset	Basin	Rawson Interest (%)	Gross Area (km <sup>2</sup> )	Operator
PEL 154	Otway	100	302	Otway Energy
PEL 155	Otway	100	226	Otway Energy
Udacha Block	Cooper	10	14	Beach Energy
PRL 13	Otway	100*	17.5	Rawson Resources

\*Subject to regulatory approval

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

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## 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

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## Corporate Activities

### SUBSEQUENT EVENT

#### Director Retirement

Mr Paul Adams will retire as a non-executive director of the company at the end of July, 2014.

As a founding shareholder and director, Paul has been integral to the activities at Rawson over many years. The Rawson Resources Chairman, Simon Bird, has thanked Paul for his contribution, particularly during the recent transition of the board and management team.

The board at Rawson retains a high level of experience and expertise to take the company forward as it enters a new phase of appraisal and production with a focus in the Otway Basin.

### Otway Energy Pty Ltd Acquisition

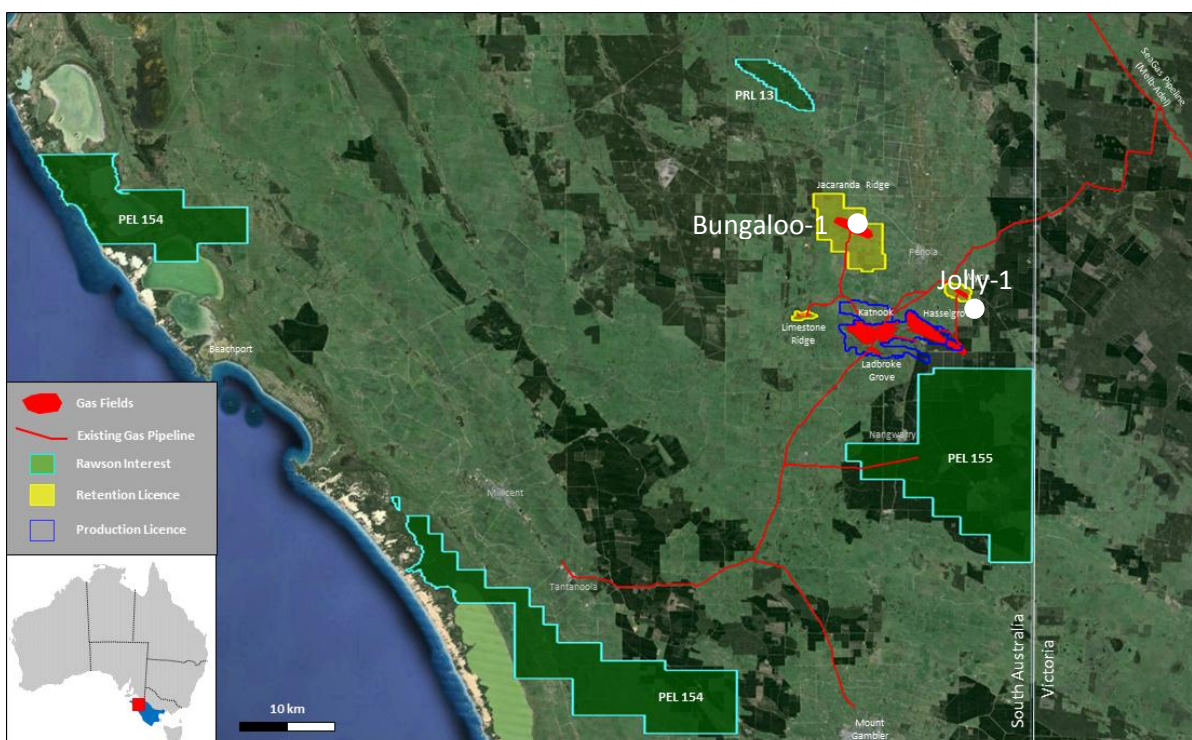
Rawson Resources Limited is now the owner and operator of Exploration Licences PEL 154 and PEL 155 through its 100% subsidiary Otway Energy, following an Extraordinary General Meeting (EGM) on 16<sup>th</sup> May 2014.

Shareholders voted in favour of the resolution to acquire the remaining interest in Otway Energy during the EGM. 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.

Following the EGM, Rawson Resources and Hardie Energy Pty Ltd confirmed all conditions were satisfied and formally completed the sale and purchase of the remaining interest in Otway Energy on 23 May 2014.

This purchase, along with the recent acquisition of the Killanoola Oil Field (PRL 13) gives the company a strong focus on the western Otway Basin, South Australia.

Should a discovery be made in our blocks, the existing nearby pipelines and processing infrastructure will provide a number of commercial options.



Rawson Interest - Otway Basin

## Financial Activities

### SUBSEQUENT EVENT

#### Sale of Kea Petroleum Shares

Subsequent to the end of the quarter Rawson traded 9 million ordinary shares in Kea Petroleum. The shares were traded to cover the upcoming operations in our licences, including engineering and reservoir studies for PRL 13 (Killanoola) and the stimulation of the Udacha-1 well in PRLA 26 (Udacha).

### Share Holdings

In relation to the Company's future cash requirements the Company controls approximately \$1.0 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.

Rawson currently holds over 18 million ordinary shares in Kea Petroleum Plc, representing 2.1% of the company.

## Exploration Activities

### Otway Basin

The Company continued the farm-out process for PEL 154 and PEL 155 during the quarter, with the objective of securing a partner before undertaking our drilling program.

### SUBSEQUENT EVENT

#### Reserves

The Killanoola Oil Field (PRL 13) has a gross proved plus probable (2P) reserves of 333,000 barrels of oil (economic interest to Rawson Resources 97.5%) and the Udacha Gas Field has a gross 2P reserve of 3.1 Bcf (economic interest to Rawson Resources 10%).

#### Prospective Resources

The two exploration licences in the Otway Basin (PEL 154 and PEL 155) have a gross Best Estimate Prospective Resources of 92.4 Bcf (economic interest to Rawson Resources 95%). Several additional leads within the two licence areas have not been included in this statement, but remain attractive follow-ups in the event of a discovery. Additional technical work will be undertaken to be matured these leads to prospects.

Additional resources have been identified in the Udacha gas field (Lowry Prospect), with a gross Best Estimate Prospective Resource of 4.7 Bcf (economic interest to Rawson Resources 10%).

#### Farm Out Milestone

Rawson met its first farm out milestone, advising the market on 15<sup>th</sup> July 2014 that it had closed the data room for the two Otway Basin exploration licences.

Following strong interest the Company is now proceeding with a short list of companies wishing to participate in the exploration of the onshore Otway Basin.

## PEL 155 - Otway Basin, South Australia

(Otway Energy 100%)

The Company commenced a study focusing on improving our understanding of the reservoir properties of the target Pretty Hill Formation in the Penola Trough. This included an investigation of the Pretty Hill Formation sandstones in the Salamander-1 well, as well as a review of reservoir characteristics from a number of the wells from the Katnook gas field.

Recently, the Penola Trough has attracted considerable attention following positive drilling results from a two well program undertaken in adjacent licences by Beach Energy (i.e., the Jolly-1 and Bungaloo-1 wells). These wells targeted conventional and unconventional prospectivity in the deeper parts of the Penola Trough.

Our exploration licence, PEL 155, is well positioned over the deeper part of the trough and the recent drilling results have led the Company to propose a seismic reprocessing program to better understand the unconventional potential within PEL 155. The seismic reprocessing program will be undertaken next quarter.

PEL 155 is located in the Otway Basin, South Australia, approximately 10 km southeast of the Katnook Gas Fields, near the town of Nangwarry, South Australia. The licence remains suspended for a period of up to six months as 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.

## PEL 154 - Otway Basin, South Australia

(Otway Energy 100%)

Following the core and drill cutting sampling collection described in the last quarterly report, the Company is examining the potential of the unconventional shales within the block. The exploration licence PEL 154 is well located over the Portland and St Clair Troughs to be prospective for unconventional exploration.

PEL 154 comprises two separate blocks in the Otway Basin, South Australia. The eastern block is located approximately 16 kilometres west of Mount Gambier, while the western block is located approximately 18 kilometres southeast of Robe. The licence remains suspended for a period of up to six months as 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.

## Appraisal Activities

### PRLA 26 (Udacha) – Cooper Basin, South Australia

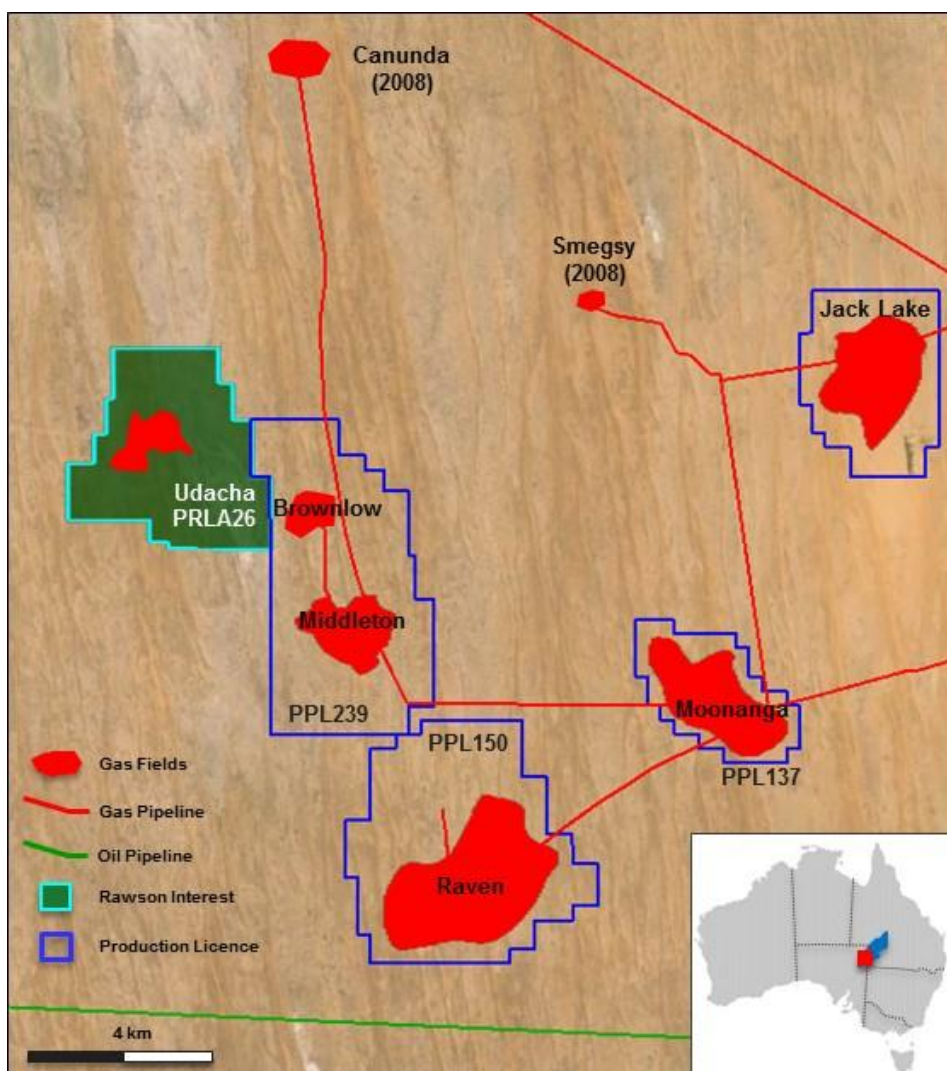
(Beach Energy 15% - operator, Drillsearch 75%, Rawson 10%)

The FY2015 work program and budget for PRLA 26 (Udacha) has been agreed by the Joint Venture and will include the stimulation of the Udacha-1 well and the connection of the well for production.

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 nearby Middleton/Brownlow Gas Project.

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 - Cooper Basin

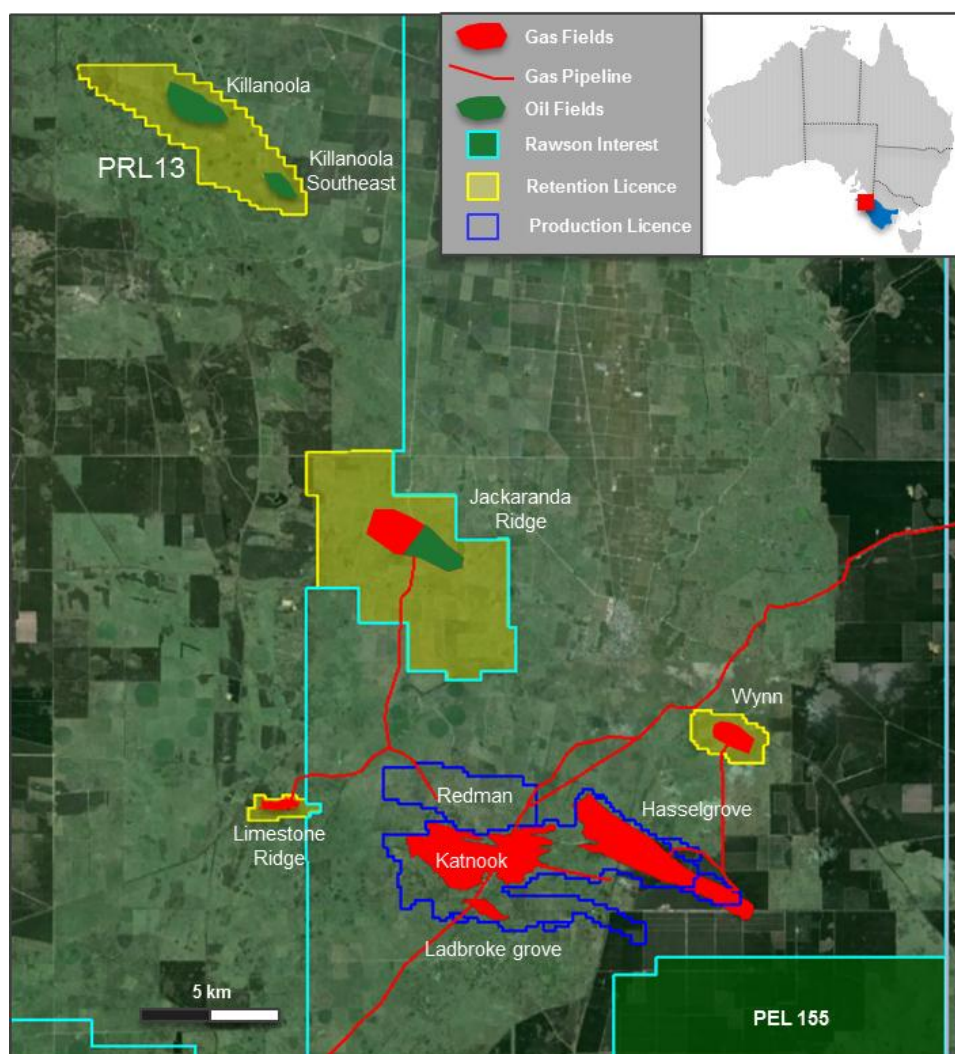
## PRL 13 (Killanoola) – Otway Basin, South Australia

(Rawson 100%)

Rawson acquired the Killanoola Oil Field during the last 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 Killanoola Field was discovered in 1998 by the Killanoola-1 DW-1 well. 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 recovered oil. The licence also includes an additional untested fault closure south east of Killanoola-1 DW-1 well, providing some exploration upside potential.

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



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 (Km <sup>2</sup> )
PRLA 26	Udacha Block	SA	10%	14
PRL 13	Killanoola	SA	100%	18
PEL 154	Otway	SA	100%	302
PEL 155	Otway	SA	100%	226

There was no petroleum tenements acquired or disposed of during this quarter except as mentioned above.

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.

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