# STRIKE ENERGY LIMITED

# QUARTERLY REPORT: Q4 2013

For the period ending 31 December 2013


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**Securities Exchange**

ASX : STX

**Share Register**

Computershare Investor Services
Level 4, 60 Carrington Street
Sydney NSW 2000

**About Strike Energy**

Strike Energy is an Australian based, independent oil and gas exploration and production company.

The company is focussed on the development of major unconventional and conventional oil and gas projects.

Current Australian activities are located in the Southern Cooper Basin and Carnarvon Basin and US activities in the Eagle Ford Shale and Permian Basin.

## Highlights

### Operations

- Appraisal drilling of the Company's Southern Cooper basin Gas Project, PEL 96 Phase One Area commenced. Two wells, Le Chiffre 1 and Klebb 1, spudded in the quarter.
- Preliminary results from Le Chiffre 1 confirmed the presence of an extensive gas saturated coal system in PEL 96 and that the coals are in the peak gas generation window for inertinite rich coals.

### Subsequent Events

- The Klebb 1 well encountered over 145m of net coal with strong gas shows while drilling. In particular, 89m of coal was observed in the Patchawarra Formation, including one continuous 34m thick seam and two other seams of over 15m thick.
- The Company's appraisal drilling program achieves key milestones, confirming the presence of a substantial, continuous gas resource directly under the Moomba to Adelaide gas pipeline.
- A comprehensive completion, testing and production optimisation program is being developed for the Company's PEL 96 Phase One Area.
- The Company signed a new gas supply option agreement with Orora Limited for 30PJ of gas from the PEL 96 Phase One Area. Discussions are advancing with other parties for additional gas sales.
- The Company received $A 531,700 relating to its FY 13 R&D refund and separately entered into an agreement with a commercial bank for a A$ 3.0 M funding facility for the FY 14 R&D refund.

### Outlook

- The Le Chiffre 1 and Klebb 1 wells have confirmed both the presence and continuity of a thick gas saturated coal system in PEL 96 and provide the foundation for production testing as the next step in the rapid commercialisation of the Company's Southern Cooper Basin Gas Project. Planning activities for the initial pilot testing will continue through March 2014 quarter, with on-ground activities planned for the June 2014 Quarter.

### Performance Summary

| | Dec QTR 2013 | Sept QTR 2013 | Quarterly Change |
|---|---|---|---|
| Production (Boe) | 21,752 | 22,685 | (4%) |
| Revenue (AUD '000) | 1,074 | 1,128 | (5%) |

# Managing Director Comments



David Wrench, MD

During the December quarter our focus has been on successfully undertaking the drilling and appraisal activities in the PEL 96 Phase One Area of the Company's Southern Cooper Basin Gas Project while securing additional sources of funding for our next stages of evaluation and development.

Pleasingly, the results of the program significantly exceeded our pre-drill expectations. We will provide further updates as laboratory testing currently underway and further analysis of the results is completed over the coming weeks.

A comprehensive completion, testing and production optimisation program is currently being developed. The program's primary objective is to determine a development plan for the resource and will involve a series of drilling, completion and production trials to optimise the project economics.

In January the Company entered into a Gas Supply Option Agreement with Orora Limited. This agreement in combination with our foundation gas sales agreement with Orica clearly demonstrate that the Company is well positioned to play an important role in the gas supply solution required to meet increasing uncontracted gas demand in Eastern Australia.

During the quarter the Company progressed with its review of the strategic alternatives for our Eagle Ford investment. In parallel, discussions were undertaken with several parties regarding further evaluation of the play and we believe that an outcome which is consistent with our objectives of continued participation in the evaluation of the Eagle Ford shale while limiting further capital commitments is likely to be achieved.

The Company finished the December 2013 quarter with cash of A$ 3.7 million. During January 2014, the Company received a refund of A$ 0.5 million from the ATO in respect of our FY 13 R&D claim, the receipt of A$ 1.1 million in outstanding joint venture cash calls and a A$ 2.5 million advance from the FY14 R&D funding facility. These amounts plus ongoing oil and gas production revenues provide sufficient funding for the Company's planned activities.

David Wrench
Managing Director

# Southern Cooper Basin Gas Project

During the quarter the Company commenced operations at its Southern Cooper Basin Gas Project with the drilling of the Le Chiffre 1 and Klebb 1 wells in PEL 96. The Company is the operator of PEL 96 (STX 66.67% EWC 33.33%) and the 2013 drilling program targeted the Phase One Area within PEL 96.

The PEL 96 drilling follows the company's 2012 Cooper Basin drilling activities and the recent binding gas sales term sheet signed with Orica (July 2013) and marks a key step in the Company's rapid commercialisation plan for the gas resource. As operator, the Company has control of the planning, timing and execution activities in PEL 96.

Le Chiffre 1 is located approximately 4km east of the Moomba to Adelaide Gas Pipeline and was drilled to a total depth of 2,089m and cased using premium casing which will allow the well to be fracture stimulated in the future. A total of 105m of coal was encountered in the well, of which 86m was recovered in cores. Of note, was 46m of net coal within a 70m gross pay interval of the Patchawarra Formation.

The Klebb 1 well is located approximately 4km west of the Moomba to Adelaide Gas Pipeline and approximately 8km to the north-west of Le Chiffre 1. The well was drilled to a total depth of 2,193m during the period and was cased and cemented just after the period ended.

A total of 147m of coal was encountered by the well and observed via wireline logging. In particular, 89m of coal was observed in the Patchawarra Formation, including one 34m thick seam and two seams over 15m thick.

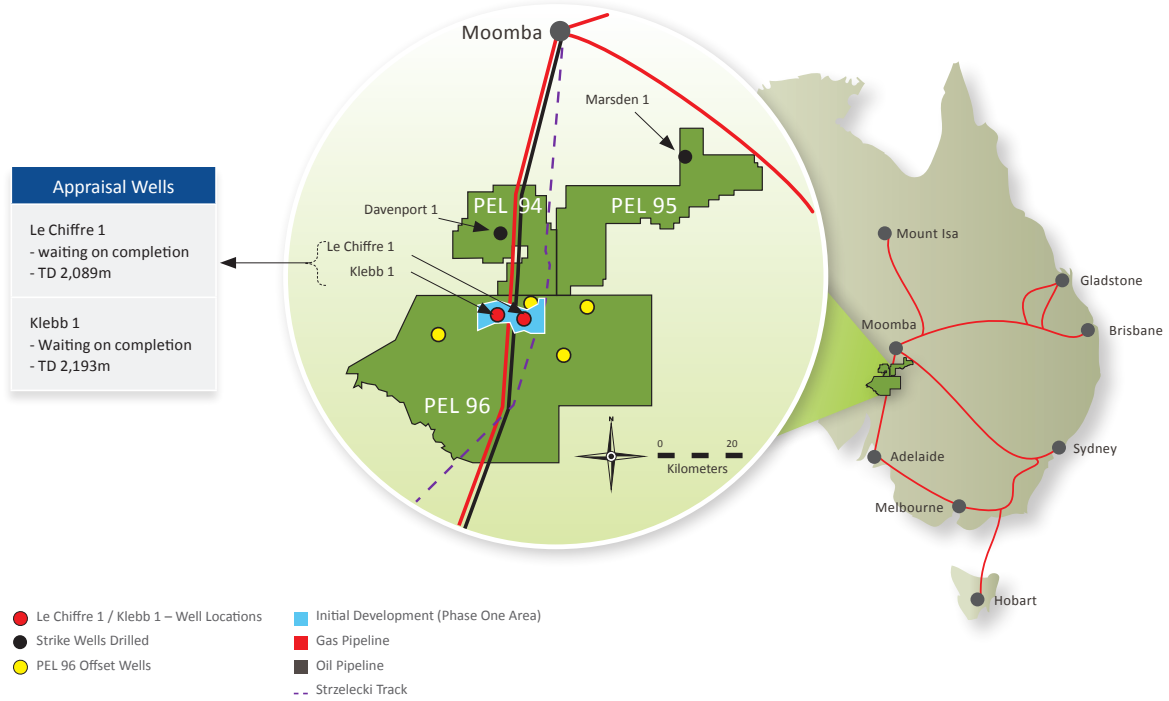
Notable increases in gas readings were recorded in both wells whilst drilling through the coals and these gas readings increased with depth.

Drilling operations were completed in early January 2014. Detailed analysis of the logs, cores, gas samples and test results commenced during the quarter and will continue during the March 2014 Quarter.

Preliminary data results confirm:

- Very thick coal development in excess of pre-drill expectations.
- Coals encountered in the primary target horizons having very low moisture content and are in the peak gas generation window for coals of this type.

With drilling operations now complete, the Company will focus on the incorporation of the data acquired into its technical models so as to assess the implications for the production pilot test program which is planned to commence in the June 2014 Quarter. Results from these initial production pilot tests will underpin further technology and production testing to optimise project economics.



# US Activities

**Eagle Ford Shale (STX interest 27.5%)**

During the quarter the Wolters #1H Eagle Ford Shale test well was completed with a nine stage fracture stimulation however problems were encountered when attempting to drill out the plugs between stages 3 and 4 resulting in the remaining six plugs not being drilled out. The well is currently flowing intermittently and the operator is evaluating the results.

Processing of data acquired from a 3D seismic survey shot over the acreage held by the Company and its partners was completed during the quarter and several conventional gas prospects in the Edwards formation were identified. The first of these prospects is expected to be drilled during the March 2014 quarter.

During the quarter more commercial Eagle Ford production results were announced by adjacent operators which confirm the potential of the play and provide the justification for further evaluation of the Company's acreage. Accordingly, discussions were undertaken with several parties regarding further evaluation of the play and we believe that an outcome which is consistent with our objectives of continued participation in the evaluation of the Eagle Ford shale, while limiting further capital commitments is likely to be achieved.

**Permian Basin (STX interest 25%)**

The MBCU #17 well was completed in the Middle Clearfork carbonate zone, which is the primary producer in the field. The well tested approximately 35 BOPD on pump and is currently producing 20-25 BOPD. Plans are currently underway to drill another vertical well on the Company's acreage and do more extensive fracture stimulation of the Lower Clearfork Shale section following the encouraging results obtained from testing in this section from the MCU # 17 well. This well should spud before the end of the March 2014 quarter.

# Other Assets

There were no material exploration or development activity at the Company's other assets.



# Corporate

A core focus during the quarter has been the strengthening of the Company's balance sheet to enable the next stages of evaluation activities within the Southern Cooper basin.

As part of these initiatives the Board appointed Mr. Sean McGuinness to the role of Chief Financial Officer and Company Secretary during November. A seasoned senior financial executive, Sean comes highly recognized in the areas of M+A strategy, finance and organization development and capital management.

On 15 January 2014 the Company entered into a Gas Supply Agreement for 30 PJ of gas over 10 years with Orora Limited (the recently demerged Australian and Packaging Distribution of Amcor Limited) to be produced from the Company's Southern Copper Basin Gas Project centered around the PEL 96 permit. The respective key commercial terms of the agreement are outlined in our ASX announcement dated 15 January 2014. This agreement complements the foundation option supply contract with Orica announced in July 2013 for the supply of up to 150 PJ of gas over a 20 year period. Under the terms of both agreements the Company expects to receive near term funding for use in the initial production pilot testing in the Southern Cooper Basin Gas Project.

In addition, the Company received a refund on 7 January 2014 of $A 531,700 from the ATO relating to eligible research and development (R&D) expenditure incurred during the FY 13 year.

In connection with its current R&D activities for the FY 14 year, the Company has separately entered into a borrowing facility with a commercial bank on 29 January 2014. The facility, which has an initial limit of $A 3.0 million is able to be drawn by the Company once the related eligible R&D expenditure for the period has been validated by the Company's R&D Advisors. An initial drawn down of $A 2.5 million was made on 30 January 2014, with the facility due for repayment in full by 31 December 2014 from the proceeds of the Company's expected 2014 R&D refund.



# PRODUCTION

Strike produces oil and gas from three independent assets.

The Eaglewood Joint Venture (Strike 40% WI) produces from the Cypress Raven (Wilcox) gas-condensate field in Wharton County, Texas. The Cypress Raven field's Gardner-Duncan 1 well produced 91,065 Mcf of gas and 1,797 bbls of oil net to Strike during the December quarter, down 7% on the previous quarter.

The MB Clearfork Project (Strike 25% WI) produces oil from 19 conventional Permian Basin wells in Martin County, Texas. During the quarter, the MB Clearfork Project produced 3,151 bbls of oil net to Strike, up 32% on the previous quarter.

The Eagle Ford shale project (Strike 27.5% WI) produces oil and gas from the Bigham 1H well in Fayette County, Texas. The well produced 1,262 bbls of oil and 2,185 Mcf of gas net to Strike during the quarter, down 3% on the previous quarter.

Strike's production for the December quarter, and the previous quarter, is summarised in Table 1 below.

**Table 1 – Strike's quarterly production**

| | DEC QTR 2013 | SEPT QTR 2013 | QUARTERLY CHANGE |
|---|---|---|---|
| EAGLEWOOD JV – CYPRESS RAVEN (WILCOX) | | | |
| Gas (Mcf) | 91,065 | 96,525 | (6%) |
| Oil (Bbl) | 1,797 | 2,179 | (18%) |
| Barrels of oil equivalent (Boe)[1] | 16,975 | 18,267 | (7%) |
| Mcf of gas equivalent (Mcfe)[1] | 101,849 | 109,599 | (7%) |
| PERMIAN BASIN – MB CLEARFORK PROJECT | | | |
| Gas (Mcf) | 2,325 | 1,510 | 54% |
| Oil (Bbl) | 2,764 | 2,133 | 30% |
| Barrels of oil equivalent (Boe)[1] | 3,151 | 2,384 | 32% |
| Mcf of gas equivalent (Mcfe)[1] | 18,906 | 14,307 | 32% |
| EAGLE FORD SHALE – BIGHAM 1H | | | |
| Gas (Mcf) | 2,185 | 3,064 | (29%) |
| Oil (Bbl) | 1,262 | 1,523 | (17%) |
| Barrels of oil equivalent (Boe)[1] | 1,626 | 2,034 | (20%) |
| Mcf of gas equivalent (Mcfe)[1] | 9,757 | 12,202 | (20%) |
| TOTAL | | | |
| Gas (Mcf) | 95,575 | 101,099 | (5%) |
| Oil (Bbl) | 5,823 | 5,835 | -% |
| Barrels of oil equivalent (Boe)[1] | 21,272 | 22,685 | (4%) |
| Mcf of gas equivalent (Mcfe)[1] | 130,512 | 136,108 | (4%) |

[1] Calculated based on industry convention energy equivalence of 6 Mcf of gas = 1 Bbl of oil.
Note that based on actual realised oil and gas prices for the quarter, the price equivalent ratio is 27 Mcf of gas = 1 Bbl of oil

# REVENUES

Strike generated revenues of $1.07 m during the December quarter, down 5% from the previous quarter.

Strike's revenues for the December quarter and the previous quarter are summarised in Table 2 below.

**Table 2– Strike's quarterly revenues from production**

| | DEC QTR 2013 AUD '000 | SEPT QTR 2013 AUD '000 | QUARTERLY CHANGE |
|---|---|---|---|
| EAGLEWOOD JV – CYPRESS RAVEN (WILCOX) | | | |
| Gas | 448 | 410 | 9% |
| Oil | 197 | 255 | (23%) |
| Total | 645 | 665 | (3%) |
| Gross margin | 67% | 68% | |
| PERMIAN BASIN – MB CLEARFORK PROJECT | | | |
| Gas | 13 | 19 | (33%) |
| Oil | 273 | 241 | 13% |
| Total | 286 | 259 | 10% |
| Gross margin | 64% | 52% | |
| EAGLE FORD SHALE – BIGHAM 1H | | | |
| Gas | 11 | 12 | (12%) |
| Oil | 133 | 192 | (31%) |
| Total | 144 | 204 | (30%) |
| Gross margin | 58% | 47% | |
| TOTAL | | | |
| Gas | 472 | 441 | 7% |
| Oil | 603 | 687 | (12%) |
| Total | 1,074 | 1,128 | (5%) |
| Gross margin | 50% | 63% | |

Average realised oil prices during the December quarter were $103.5/Bbl, down 12% from $117.8/Bbl in the previous quarter.

Average realised gas prices during the Decemer quarter were $4.94/Mcf, up 13% from $4.36/Mcf in the previous quarter.

*Rule 5.3*

# Appendix 5B

## Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

**STRIKE ENERGY LIMITED**

| ABN | Quarter ended ("current quarter") |
|---|---|
| **59 078 012 745** | **31 December 2013** |

### Consolidated statement of cash flows

| | | Current quarter $A'000 | Year to date (6 months) $A'000 |
|---|---|---|---|
| | **Cash flows related to operating activities** | | |
| 1.1 | Receipts from product sales and related debtors | 1,167 | 2,384 |
| 1.2 | Payments for (a) exploration & evaluation | (2,189) | (5,668) |
| | (b) development | (1,164) | (2,418) |
| | (c) production | (572) | (1,051) |
| | (d) administration | (1,807) | (2,867) |
| 1.3 | Dividends received | - | - |
| 1.4 | Interest and other items of a similar nature received | - | - |
| 1.5 | Interest and other costs of finance paid | - | - |
| 1.6 | Income taxes paid | - | - |
| 1.7 | Other (provide details if material) | 84 | 150 |
| | **Net Operating Cash Flows** | (4,481) | (9,470) |
| | **Cash flows related to investing activities** | | |
| 1.8 | Payment for purchases of: | | |
| | (a) prospects | (508) | (801) |
| | (b) equity investments | - | - |
| | (c) other fixed assets | (10) | (12) |
| 1.9 | Proceeds from sale of: | | |
| | (a) prospects | - | - |
| | (b) equity investments | - | - |
| | (c) other fixed assets | - | - |
| 1.10 | Loans to other entities | - | - |
| 1.11 | Loans repaid by other entities | - | - |
| 1.12 | Other (provide details if material) | - | - |
| | **Net investing cash flows** | (518) | (813) |
| 1.13 | Total operating and investing cash flows (carried forward) | (4,999) | (10,283) |

*Certain items in the consolidated statement of cash flow have been re-presented on a YTD basis to conform with the Groups current period presentation.*

+ See chapter 19 for defined terms.

| | | | |
|---|---|---|---|
| 1.13 | Total operating and investing cash flows (brought forward) | (4,999) | (10,283) |
| | **Cash flows related to financing activities** | | |
| 1.14 | Proceeds from issues of shares, options, etc. | - | 8,732 |
| 1.15 | Proceeds from sale of forfeited shares | - | - |
| 1.16 | Proceeds from borrowings | - | 5,034 |
| 1.17 | Repayment of borrowings | (432) | (913) |
| 1.18 | Dividends paid | - | - |
| 1.19 | Other: | | |
| | a. Interest and other cost of financing paid | (190) | (341) |
| | b. Interest & other items of a similar nature received | 72 | 87 |
| | **Net financing cash flows** | (550) | 12,599 |
| | **Net increase (decrease) in cash held** | (5,549) | 2,316 |
| 1.20 | Cash at beginning of quarter/year to date | 9,271 | 1,408 |
| 1.21 | Exchange rate adjustments to item 1.20 | 7 | 5 |
| 1.22 | **Cash at end of quarter** | **3,729** | **3,729** |

## 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 (a) | 404 |
| 1.24 | Aggregate amount of loans to the parties included in item 1.10 | - |

1.25 Explanation necessary for an understanding of the transactions

(a) During the period the Company entered into a leasing arrangement for office space at 120 B Underwood Street Paddington with M H Carnegie & Co Pty Ltd a director related entity via Mr M Carnegie. Under the terms of the agreement the Group is required to make annual lease payments of $42,520 plus outgoings. Either party is able to terminate the agreement through the provision of one months' notice. In addition during the quarter, the Company made payments of $144,036 to Mr D Baker for consulting services for the period from August to November 2013. These services related to the negotiations of the Company's forward Gas supply arrangements and a review of the Company's Eagle Ford assets.

## 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

N/A

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

N/A

## Financing facilities available

*Add notes as necessary for an understanding of the position.*

| | | Amount available $A'000 | Amount used $A'000 |
|---|---|---|---|
| 3.1 | Loan facilities (a) (b) | 6,905 | 6,905 |
| 3.2 | Credit standby arrangements (c) | - | - |

(a) On 22 May 2013, the Group entered into a production payment funding facility (the BlueRock Facility) with BlueRock Energy Capital, for the purpose of funding the drilling and completion costs for the Group's existing Eagle Ford Shales and Permian Basin wells in the United States.

+ See chapter 19 for defined terms.

The BlueRock Facility was drawn to US $ 3.9 million as at 31 December 2013. Repayments under the BlueRock facility are sourced from revenue generated from certain US producing properties (80% of net revenue to be used for settlement of the outstanding principal and interest, with the option to reduce to 70%). The weighted average effective interest rate on the loan is 18%. Under the terms of the BlueRock facility, the Group has granted BlueRock a perpetual overriding royalty interest of 0.5%-1% in certain of the Group's US production assets at the date of repayment.

(b) On 18 July 2013, the Group entered into a loan agreement with Orica Australia Pty Ltd. The loan is interest free and is repayable 5 years from the date of drawdown or at a date as mutually agreed between the parties.

(c) Subsequent to the end of the reporting period, the Group on 29 January 2014 entered into a funding facility with a commercial bank (the R&D Facility) to provide pre-funding for eligible research and development (R&D) expenditure to be incurred during the year ended 30 June 2014. The R&D Facility has an initial limit of $A 3.0 million and can be drawn down after the associated eligible R&D expenditure incurred has been validated by the Group's R&D advisors. Repayments under the R&D Facility will be made from the Group's FY 14 R&D refund.

## Estimated cash outflows for next quarter

| | | $A'000 |
|---|---|---|
| 4.1 | Exploration and evaluation | 6,146 |
| 4.2 | Development | - |
| 4.3 | Production | 458 |
| 4.4 | Administration | 1,335 |
| | **Total** | 7,939 |

*The above estimated cash outflows for the next quarter does not take into account the effect cash inflows from the sales of production or forward sales prepayment agreements, cash inflows associated with committed lines of financing and the effect of other cash flow positive activities.*

## 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** | **659** | 2,145 |
| **5.2** | **Deposits at call** | **2,000** | 7,000 |
| **5.3** | **Bank overdraft** | **-** | - |
| **5.4** | **Other – Share of JV bank accounts** | **1,070** | 126 |
| | **Total: cash at end of quarter (item 1.22) (a)** | **3,729** | 9,271 |

(a) Subsequent to the end of the financial period, the Group received on 7 January 2014 $A 532K from the Australian Taxation Office (ATO) relating to R&D expenditure incurred during the year ended 30 June 2013. Separately on 16 January 2014 the Group received amounts outstanding from its Joint Venture partners relating to cash calls made during the reporting period which were outstanding at the balance date of $A 1.6 million of which the Group's proportionate share of the amount outstanding was $A 1.1 million. In addition on 30 January 2014 the Group received funds from its initial drawdown of $A 2.5 million under the R&D facility.

+ See chapter 19 for defined terms.

**Appendix 5B**
**Mining exploration entity quarterly report**

## Changes in interests in mining tenements

| | | Tenement reference | Nature of interest (note (2)) | Interest at beginning of quarter | Interest at end of quarter |
|---|---|---|---|---|---|
| 6.1 | Interests in mining tenements relinquished, reduced or lapsed | WA-261-P | JV Exploration Tenement | 33.333% | 0% |
| 6.2 | Interests in mining tenements acquired or increased | N/A | | | |

## Issued and quoted securities at end of current quarter

*Description includes rate of interest and any redemption or conversion rights together with prices and dates.*

| | | Total number | Number quoted | Issue price per security (see note 3) (cents) | Amount paid up per security (see note 3) (cents) |
|---|---|---|---|---|---|
| 7.1 | **Preference +securities** *(description)* | | | | |
| 7.2 | Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions | | | | |
| 7.3 | **+Ordinary securities** | 706,519,664 | 706,519,664 | | |
| 7.4 | Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs | | | | |
| 7.5 | **+Convertible debt securities** (*description)* | | | | |
| 7.6 | Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted | | | | |
| 7.7 | **Options** *(description and conversion factor)* | | | ***Exercise price*** | ***Expiry date*** |
| | | 6,000,000 | | 20 cents | 31 Aug 2014 |
| | | 500,000 | | 20 cents | 01 Nov 2015 |
| | | 9,500,000 | | 20 cents | 18 Nov 2016 |
| | | 1,000,000 | | 20 cents | 01 Nov 2017 |
| | | 3,000,000 | | 20 cents | 18 Nov 2018 |
| | | 200,000 | | 18 cents | 10 Apr 2018 |
| 7.8 | Issued during quarter | | | | |

+ See chapter 19 for defined terms.

| | | Total number | Number quoted | Issue price per security (see note 3) (cents) | Amount paid up per security (see note 3) (cents) |
|---|---|---|---|---|---|
| 7.9 | Exercised during quarter | | | | |
| 7.10 | Expired during quarter | | | ***Exercise price*** | ***Expiry date*** |
| | | 675,000<br>500,000 | | 32 cents<br>25 cents | 21 Oct 2013<br>21 Oct 2013 |
| 7.11 | **Debentures** *(totals only)* | | | | |
| 7.12 | **Unsecured notes** *(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 (see note 5).

2 This statement does give a true and fair view of the matters disclosed.



Sign here: ..... Date: 30 January 2014
Company Secretary

Sean McGuinness
Print name: .....

+ See chapter 19 for defined terms.

## 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 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.

5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting 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.

+ See chapter 19 for defined terms.