



18 July 2016

Company Announcements Office
ASX Limited

By E-Lodgement

**QUARTERLY ACTIVITIES REPORT
FOR THE PERIOD ENDING 30 JUNE 2016**

The Board of Orca Energy Limited (Orca or the Company) provides the following commentary and Appendix 5B for the period ending 30 June 2016.

Proposed Transaction

On 12 July 2016, the Company advised that a proposed acquisition and Chapter 11 transaction referred to in the Company's announcement dated 24 June 2016 would not proceed. Following due diligence and an assessment of market conditions, both parties mutually agreed to withdraw and thereby terminate further discussions and negotiations. Orca maintains communications with the proposed target and may reassess this position in the future.

Following the Company's recent suspension, ASX has advised Orca that it considers the Company is not in compliance with Chapter 12 of the Listing Rules and will require the Company's securities to remain suspended from trading. The Board made a formal submission for re-instatement to trading, which was respectfully considered.

The Company remains committed to identifying a suitable asset for listing purposes and continues in its endeavours to do so, at which point, and after seeking all necessary regulatory approvals, it fully expects its shares to be re-instated to trading.

Seabiscuit – Texas

No activities were completed during the June Quarter due to the current depressed state of the Oil & Gas industry in the US.

For and on behalf of the Board

Greg Bandy
Managing Director

BOARD & MANAGEMENT

Mr Greg Bandy
MANAGING DIRECTOR

Mr Jason Bontempo
NON-EXECUTIVE DIRECTOR

Mr Nathan Rayner
NON-EXECUTIVE DIRECTOR

Mr Aaron Bertolatti
COMPANY SECRETARY

REGISTERED OFFICE

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CONTACT DETAILS

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WEBSITE

orcaenergy.com.au

SHARE REGISTRY

Advanced Share Registry
110 Stirling Highway
Nedlands WA 6009

ASX CODE

OGY

Appendix 5B

Mining exploration entity and oil and gas 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, 01/05/2013

Name of entity

ORCA ENERGY LIMITED

ABN

25 009 121 644

Quarter ended ("current quarter")

30 June 2016

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for (a) exploration & evaluation (b) development (c) production (d) administration	- - - (120)	- - - (745)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	12	31
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	6	6
Net Operating Cash Flows	(102)	(708)
Cash flows related to investing activities		
1.8 Payment for purchases of: (a) prospects (b) equity investments (c) other fixed assets	- - -	- - -
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	-	-
1.13 Total operating and investing cash flows (carried forward)	(102)	(708)

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(102)	(708)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net financing cash flows	-	-
	Net increase (decrease) in cash held	(102)	(708)
1.20	Cash at beginning of quarter/year to date	4,452	4,858
1.21	Exchange rate adjustments to item 1.20	-	200
1.22	Cash at end of quarter	4,350	4,350

Payments to directors of the entity, associates of the directors, 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	68
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 of Directors Fees and Remuneration - \$68k	

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

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- 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

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+ See chapter 19 for defined terms.

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		
3.2 Credit standby arrangements		

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	-
4.2 Development	-
4.3 Production	-
4.4 Administration	100
Total	100

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	4,350	4,452
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	4,350	4,452

Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	See additional information Appendix 1		
6.2	Interests in mining tenements and petroleum tenements acquired or increased	See additional information Appendix 1		

+ See chapter 19 for defined terms.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

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 <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	463,382,876	463,382,876		
7.4 Changes during quarter (a) Increases through issues - Corporate advisor (b) Decreases through returns of capital, buy-backs				
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options - Unlisted Options	10,500,000		<u>Exercise Price</u> \$0.015	<u>Expiry Date</u> 31 Dec 17
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

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 /does not* (*delete one*) give a true and fair view of the matters disclosed.

Sign here: 
(Company secretary)

Date: 18 July 2016

Print name: Aaron Bertolatti

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 and petroleum 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 or petroleum 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.

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+ See chapter 19 for defined terms.

Appendix 1 – Interests in mining tenements held

Holder: Oil & Gas Beneficial percentage interests held in farm-in or farm- out agreement

Tenement Reference	Location	Working Interest at Beginning of Quarter	Acquired/ Disposed	Working Interest at End of Quarter
Seabiscuit (Matagorda) Project	Texas	20%	N/A	20%

Holder: Oil & Gas Beneficial percentage interests held in farm-in or farm- out agreement.

Mining tenements acquired and disposed during the June 2016 quarter: N/A

Beneficial percentage interests in farm-in or farm-out agreements acquired or disposed of during the June 2016 quarter: N/A

+ See chapter 19 for defined terms.