

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, 01/05/13, 01/09/16

Name of entity

Strata-X Energy Limited

ABN

160 885 343

Quarter ended ("current quarter")

30 June 2018

Consolidated statement of cash flows	Current quarter \$USD'000	Year to date (12 months) \$USD'000
1. Cash flows from operating activities		
1.1 Receipts from customers	59	96
1.2 Payments for		
(a) exploration & evaluation	(242)	(453)
(b) development	-	-
(c) production	(30)	(95)
(d) staff costs	(61)	(246)
(e) administration and corporate costs	(87)	(382)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	2
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(360)	(1,078)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

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Consolidated statement of cash flows		Current quarter \$USD'000	Year to date (12 months) \$USD'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	32
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	32

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	148	148
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (placement proceeds for shares not issued until July 2018)	222	222
3.10	Net cash from / (used in) financing activities	370	370

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	287	975
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(360)	(1,078)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	32
4.4	Net cash from / (used in) financing activities (item 3.10 above)	370	370
4.5	Effect of movement in exchange rates on cash held	(1)	(3)
4.6	Cash and cash equivalents at end of period	296	296

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$USD'000	Previous quarter \$USD'000
5.1 Bank balances	296	287
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	296	287

6. Payments to directors of the entity and their associates	Current quarter \$USD'000
6.1 Aggregate amount of payments to these parties included in item 1.2	
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

7. Payments to related entities of the entity and their associates	Current quarter \$USD000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

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8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	200	200
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

The Company has entered into a loan with the Chairman of the Board of Directors, Ronald Prefontaine dated 3 May 2018 with the key terms of the A\$200,000 loan are that it bears a 7.5% interest rate - paid quarterly, has a repayment term to 31 December 2018, is unsecured and has no conversion rights. The loan does not require repayment during the loan term and the Company can repay the loan at any time.

9. Estimated cash outflows for next quarter	\$USD'000
9.1 Exploration and evaluation	145
9.2 Development	-
9.3 Production	5
9.4 Staff costs	68
9.5 Administration and corporate costs	23
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	241

On 3 July 2018, the Company announced a non-brokered Private Placement of a total of 27.1 million CDIs or common shares (where each CDI represents one common share) at a price of A\$0.05 on a for gross proceeds of A\$1.355 million (the "Financing").

The Financing will close in two tranches. The first tranche of A\$545,000 was completed on 16 July 2018 (using the Company's existing placement capacity under the ASX Listing Rules).

The second tranche of A\$810,000 is subject to receipt of shareholder approval at the Company's Extraordinary General Meeting ("EGM") to be held on 21 August 2018. This tranche is expected to close within three days of the EGM.

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10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced				
10.2	Interests in mining tenements and petroleum tenements acquired or increased				

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

On behalf of the Board
Duncan Cornish
Company Secretary

30 July 2018

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 that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, 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. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.