



31st January 2012

Australian Securities Exchange
2 The Esplanade
PERTH WA 6000

ASX Code: RAI

QUARTERLY ACTIVITIES REPORT

31 DECEMBER 2011

Highlights

- **Cadlao Redevelopment Project progressed towards Final Investment Decision (FID)**
- **Final agreements executed for RAI's 32.2% interest in SC6B Bonita**
- **Kashkasu Project sold to Hebei Mining**

Cadlao Redevelopment Project and SC6 Bonita Block, Offshore Palawan Basin, Philippines:

During the quarter, Raisama continued to progress the Cadlao Redevelopment Project towards its Final Investment Decision (**FID**). Several important milestones were achieved, including:

- Approval of the Work Plan and Budget by the Philippines Government.
- Completion of the draft Environmental Impact Assessment report.
- Progression of technical work and negotiations with key service providers and equipment suppliers ahead of FID.
- Progression of the USD 30 million project debt facility arranged through, Philippines based, Legavi Holdings Inc.

Additionally, Raisama concluded final details on its farmin arrangements to SC6B Bonita, which contains the Cadlao East prospect and offers significant upside to the Cadlao Redevelopment Project.

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South Block A (SBA) North Sumatra:

Preparations for the 2D seismic program have been slightly delayed while the customary operating agreement is finalised between BP Migas and the relevant Provincial Government in Sumatra. This matter is expected to be resolved soon so that planning and execution of the seismic and drilling program can continue.

PEP 51311 Oil & Gas Exploration Block, Offshore Taranaki Basin, NZ:

The Operator, New Zealand Oil and Gas Limited, has advised that discussions continue to secure a drilling rig for the planned Kakapo Prospect, previously named the Kaupokonui Prospect, to drill later in 2012.

L20/50 Thailand onshore exploration licence:

Following assessment of available opportunities within Thailand, Raisama believes that superior opportunities exist for the Company in other jurisdictions within SE Asia, particularly those where Raisama has strong networks and has already been successful in developing a material presence.

Accordingly, the small working interest (7.5%) in Block L20/50 is considered not to be material relative to the Company's other projects in the Philippines, Indonesia and New Zealand and a decision was made to surrender it. The timing of this decision was precipitated by the Operator of this licence proposing to initiate a new cycle of exploration, including 3D seismic followed by further drilling. Raisama elected to surrender its small interest before embarking on this new cycle of exploration.

On the uranium front:

The Company completed the sale of its Kashkasu II Project in the Kyrgyz Republic to Hebei Mining. This transaction reflects the Company's continued focus on its oil and gas portfolio and represents a further strengthening of the relationship between Raisama and Hebei.



David Berrie
Executive Chairman

Additional Information:**Cadlao Oilfield Re-development Project, SC6 (50%) / SC6B Bonita (32.2%) Philippines**

Located in the NW Palawan Basin in the Philippines, the Cadlao oil field has independently certified (2P) reserves of 6.05 mmbbl and an expected average gross field production rate of over 11,400 bopd for the first six months of production (5,700 bopd net to Raisama).

With an IRR of more than 100%, the field pays back the investment capital within the first two months of production and provides positive net cash flow of more than \$90 million to Raisama in the first year of production.

Plans to drill and produce the remaining reserves in the Cadlao oil field are well advanced, with production scheduled to commence in 2012.

The following operational milestones were achieved during the quarter:

- Approval of the Work Plan and Budget by the Philippines Government.
- Completion of the draft Environmental Impact Assessment report.
- Progression of technical work and negotiations with key service providers and equipment suppliers ahead of FID.
- Progression of the USD 30 million project debt facility arranged through, Philippines based, Legavi Holdings Inc.

Technical work continued on the Cadlao Project in advance of the SC6 (Cadlao) JV taking FID to formally commence development activities. An important milestone was reached with the Philippines Department of Energy (**DOE**) approving the JV's Work Plan and Budget for the Cadlao Project which follows from the DOE's earlier approval of the submitted Plan of Development (**POD**).

The project's Environmental Impact Assessment (EIA) has been completed with a draft report issued for JV review. Following comments, the EIA report will be submitted to the DOE for approval. The EIA has been undertaken to the highest standards and RAI believes the JV is well placed to receive final government approval in accordance with the project's overall development schedule.

SC6B Bonita Block

Raisama finalised the documentation relating to its farmin to SC6B Bonita which has now been submitted to the DOE for final approval. Following this approval Raisama will hold a 32.2% interest in the block and be the designated operator.

The Bonita block surrounds the SC6 Cadlao Block and provides opportunities to tie-back incremental oil production to the Cadlao Development, including from the nearby Cadlao East Prospect with around 4 mmbbls prospective oil resource.



Cadlao Oilfield Redevelopment surrounded by successful field developments

South Block A (SBA) – Oil & Gas Exploration, Onshore North Sumatra

Raisama, through its operating subsidiary RENCO Elang Energy Pte Ltd (REE), had completed a prospectivity review over the SBA Production Sharing Contract (PSC) which identified and prioritised six significant oil and gas prospects. One of these, the Amanah oil prospect, is particularly encouraging and is scheduled for drilling later in 2012. Amanah has been assessed to have a most likely prospective resource in excess of 40 million barrels of oil from six potential reservoir zones on the structure.

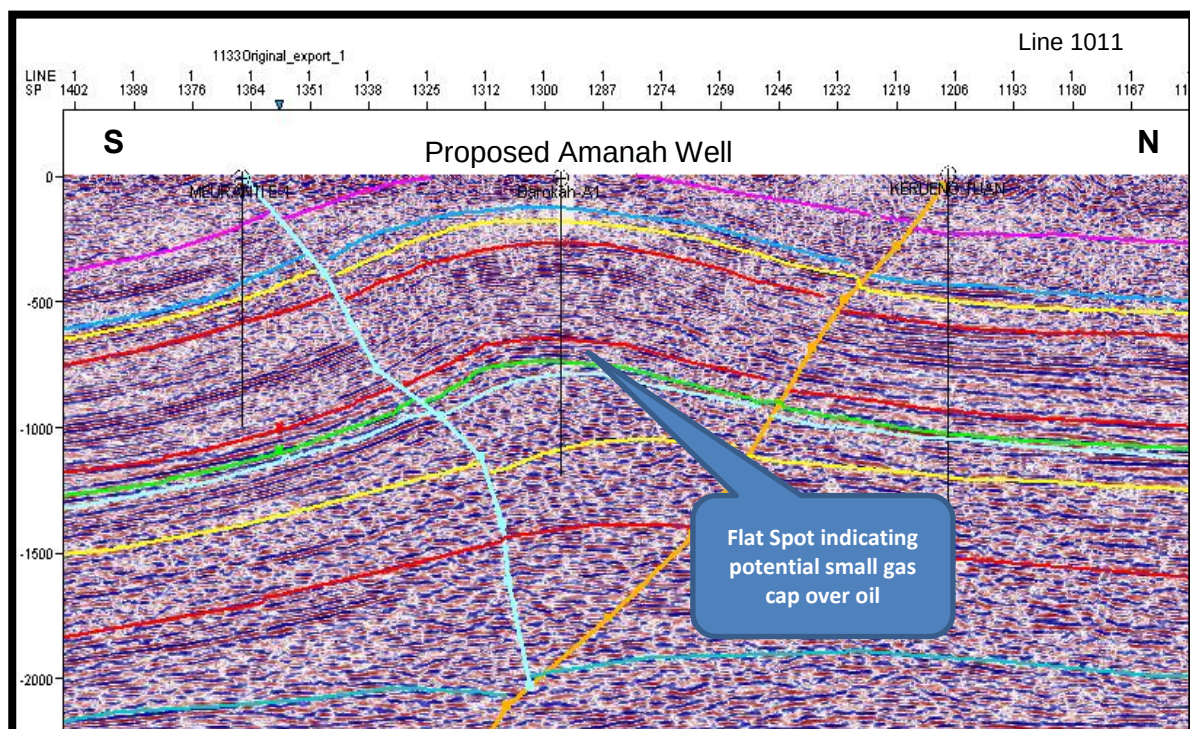
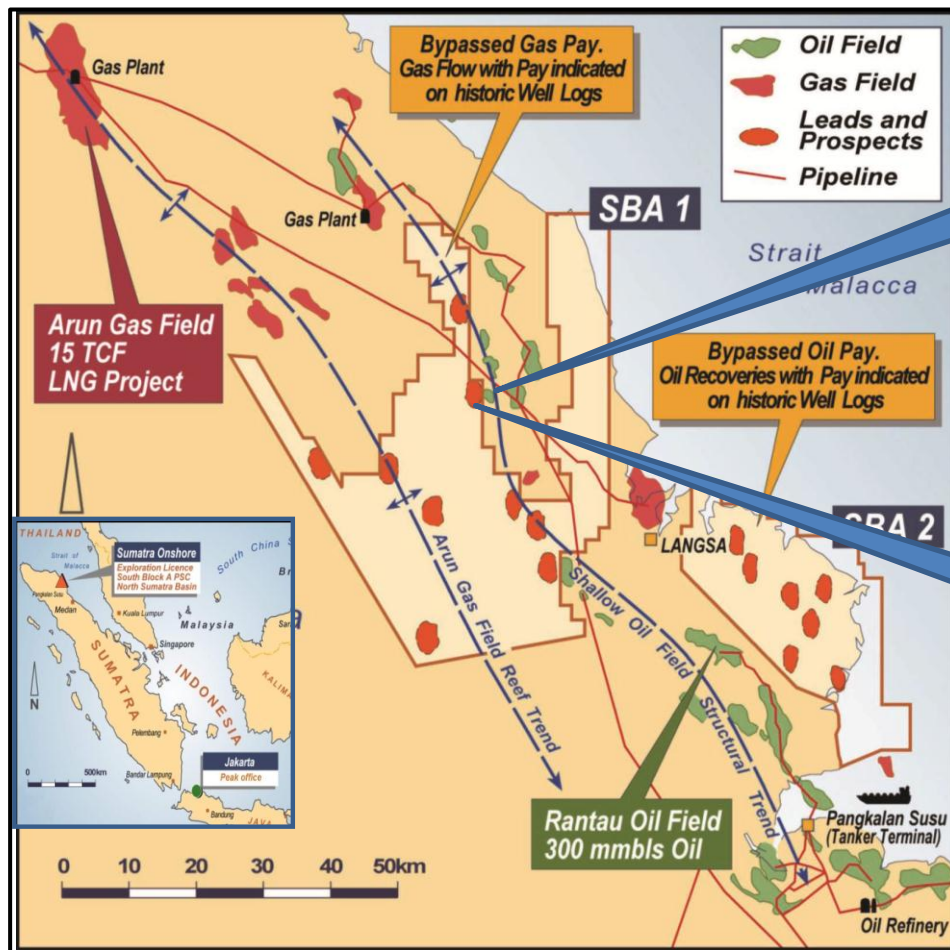
This prospect is close to commercial oil discoveries on the same structural trend and is directly adjacent to the lee Tabue oil and gas field, discovered in 1971 and which by 1989 had produced nearly 12 million barrels of premium 50.3 °API light oil and 24 billion cubic feet of gas, a high value product in the current rapidly expanding and undersupplied local gas market.

The Amanah well will be relatively shallow with a total programmed depth of 1200 m and will be designed to intersect a minimum of six potential petroleum reservoir zones. One of the potential reservoir zones exhibits a distinct flat spot, with associated high amplitude, near the top of the structure (indicated on the seismic line below). Flat spots and amplitude anomalies are indicators of a gas cap potentially overlying an oil accumulation. Such indications of petroleum trapped in the structure are positive for all potential reservoir targets throughout the depth of the well, providing supporting evidence of the petroleum trapping integrity of the structure on this prolific trend where oil with associated gas production is common.

The study also identified three additional prospects, including a large oil prospect and three large gas prospects, which are similarly prospective but require further delineation by geological field survey, followed by the planned seismic acquisition.

The 1970's through 1980's, the time of discovery and production of the nearby lee Tabue field, was a period of low oil prices and few markets for gas, with major companies of the time targeting larger oil fields. The SBA area was then part of a much larger exploration licence with less attention focussed on the area now covered by SBA. At the same time, exploration technology was less sophisticated and many of the wells in the area were located inaccurately, without the benefit of seismic data. Wells drilled were often not fully evaluated as they would be today, particularly if potential oil zones encountered did not appear to meet the high economic hurdles of the period. Consequently, the SBA PSC is, by modern criteria, regarded as an underexplored area in a highly prolific oil and gas region with significant opportunity for major discoveries.

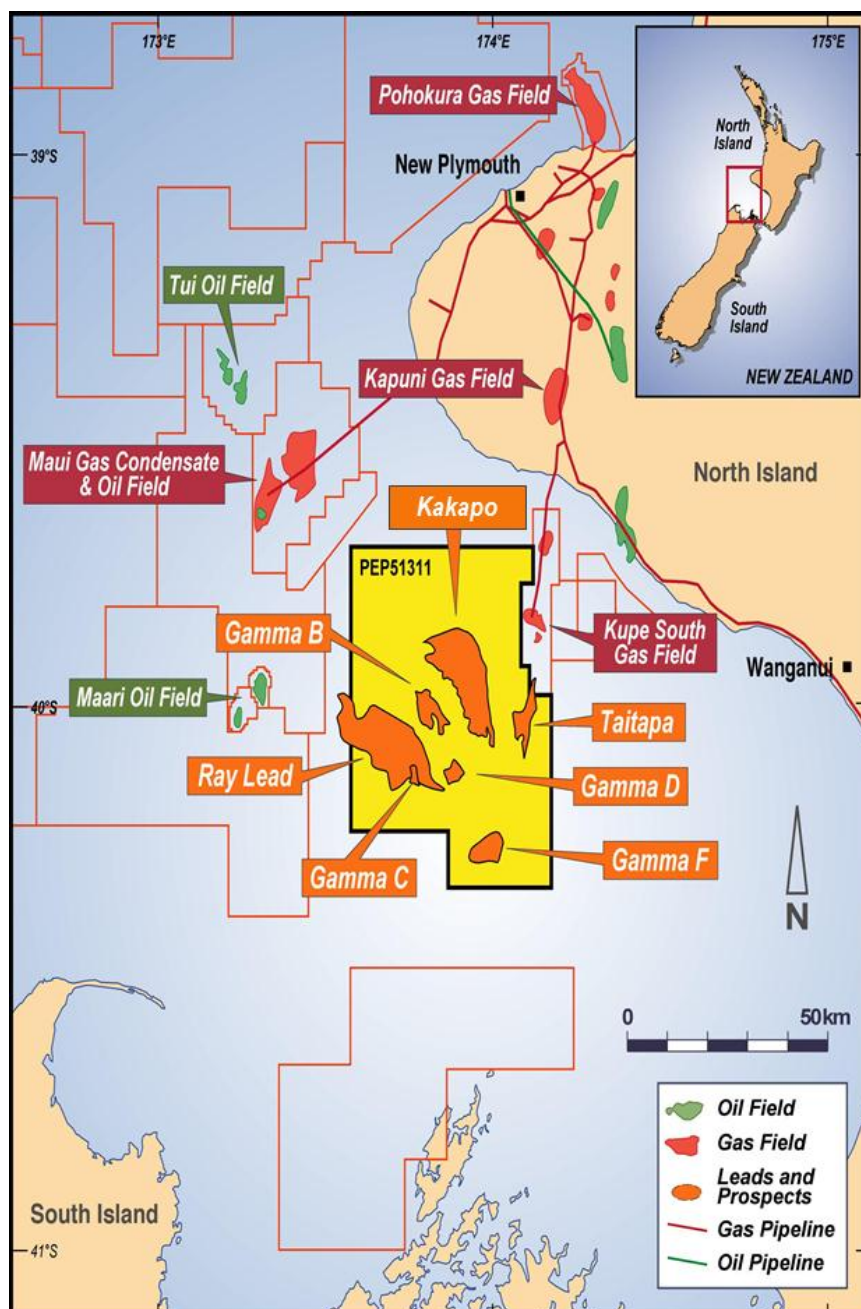
Raisama has 38.25% interest in SBA by virtue of its 75% (controlling) interest in REE Pte Ltd, which holds a 51% Working Interest in South Block A and Operates the PSC.



PEP 51311 Oil & Gas Exploration Block, Offshore NZ

The Kakapo prospect is situated in the highly productive Taranaki Basin which currently hosts discovered resources of 1.2 billion barrels of oil equivalent. The Kakapo prospect is located between the Maari oil field (51 million barrels) and the Kupe gas/condensate field (288 billion cubic feet of gas plus 27 million barrels of liquids).

Raisama holds the rights to a 10% working interest in the Kakapo prospect which has a gross mean recoverable prospective oil resource of 380 million barrels, representing 38 million barrels net to Raisama.



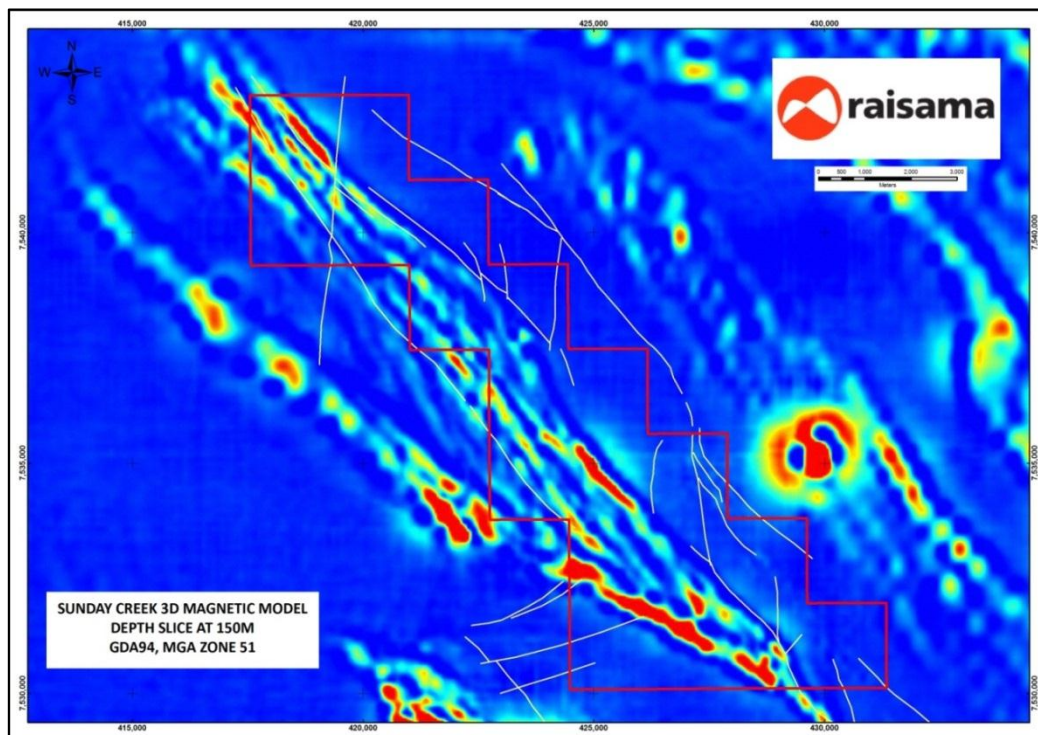
Kakapo Prospect (380 mmbbls prospective resource) PEP51311 Taranaki Basin NZ

Kashkasu II Uranium Project, Kyrgyz Republic

During the quarter, Raisama completed the sale of this project to Hebei Mining (**Hebei**) (see announcement dated 08/12/2011). Hebei showed strong interest in Kashkasu over the full duration Raisama worked the project, ultimately resulting in an attractive offer being made for the Company's interests.

Sunday Creek Uranium Project, Western Australia

The Sunday Creek Project consists of three 100% owned exploration licence applications in the Rudall river region of Western Australia. Negotiations with the Western Desert Lands Aboriginal Corporation are progressing in relation to a heritage agreement and access to tenement E45/3278.



Sunday Creek 3D magnetic model

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Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

RAISAMA LIMITED

ABN

79 131 843 868

Quarter ended ("current quarter")

31 December 2011

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (6 months) \$A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration and evaluation	(98)	(395)
	(b) development	(1,640)	(3,022)
	(c) production	-	-
	(d) administration	(565)	(1,183)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	15	25
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)	-	-
Net Operating Cash Flows		(2,289)	(4,576)
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	1,412	1,412
	(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		1,412	1,412
1.13	Total operating and investing cash flows (carried forward)	(877)	(3,164)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(887)	(3,164)
	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	2,000	2,000
1.17	Repayment of borrowings	-	(400)
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net financing cash flows	2,000	1,600
	Net increase (decrease) in cash held	1,123	(1,564)
1.20	Cash at beginning of quarter/year to date	1,163	3,850
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	2,286	2,286

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	-
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

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

Nil

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

Nil

+ 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	USD30,000,000	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	2,000
4.2 Development	10,500
4.3 Production	-
4.4 Administration	500
Total	13,000

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	2,286	1,163
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	2,286	1,163

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	09/1563	Surrendered	100%	0%
6.2 Interests in mining tenements acquired or increased				

+ See chapter 19 for defined terms.

Appendix 5B
Mining 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 (description)				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy- backs, redemptions				
7.3	*Ordinary securities	260,971,974	198,517,564	N/A	N/A
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy- backs	870,000	870,000	11.5	11.5
7.5	*Convertible debt securities (description)				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	Options			<i>Exercise price</i>	<i>Expiry date</i>
		15,000,000	-	\$0.20	31/12/2012
		21,500,000	-	\$0.35	31/12/2013
		200,000	-	\$0.40	31/12/2014
		17,800,000	-	\$0.50	31/12/2014
		20,000,000	-	\$0.28	25/11/2016
7.8	Issued during quarter:	20,000,000		\$0.28	25/11/2016
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	Debentures (totals only)				
7.12	Unsecured notes (totals only)				

+ 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 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here:

Michael Langoulant
(Company Secretary)

Date: 31 January 2012

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 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting 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.