

31 July 2015

Australian Securities Exchange
2 The Esplanade
PERTH WA 6000

ASX Code: PKO

QUARTERLY ACTIVITIES REPORT

30 June 2015

PROJECTS OVERVIEW

Summary of Peak's Project Interests

Country	Project	Asset	Direct Interest	Economic Interest
Philippines	SC6C Cadlao	Oil & Gas	25.00% ¹	16.25% ²
Australia	Sunday Creek	Uranium	100.00% ³	

¹ Interest earned by Peak and held on trust by Cadlao Development Company Limited (Cadco) and subject to Arbitration

² Prospective Interest held through VenturOil Philippines Inc , subject to dispute

³ Access subject to execution of the relevant Heritage Agreement with Western Desert Lands Aboriginal Corporation

SC6 (Cadlao) - Cadlao Oilfield Re-development Project, The Philippines

Peak has two separate interests in the SC6 Cadlao Oilfield re-development project offshore The Philippines as follows:

1. The 25% Cadco interest; and
2. The VenturOil 16.25% effective interest

The project is presently operated by Cadlao Development Company Limited (Cadco).

The Cadlao Oil Field offshore is located in the Palawan Basin, offshore The Philippines and was discovered by Amoco in 1977. Between 1981 and 1991 11.1 MMBBL of oil were produced based on sparse 2D seismic. The field was shut-in in 1991 in response to declining production, low oil price (\$14/BBL) and escalating FPSO costs.

In 1996, 3D seismic data was acquired over the permit as part of a regional 'spec' 3D seismic survey. Interpretation of this seismic data identified additional 2P reserves of approximately 6 MMBBL (Gaffney Cline & Associates estimate) up-dip from old producing wells.

The Cadlao Oil project is a redevelopment project in shallow water (c.20m water depth) which is intended to be developed via drilling and production from a jack-up drilling rig with export of crude via a floating hose to a moored FSO.

As announced on 11 April 2014, the Department of Energy of the Republic of the Philippines (DOE), granted approval for the implementation of the Calendar Year 2014 Work Program and Budget, an extension of timeline for the drilling of two initial wells in March-April 2015 and “First Oil” in June 2015. Peak has not been advised by Cadco if any of these milestones have been met by the Operator and, as such, First Oil has not been achieved within the timeline stipulated by the DOE. Accordingly, the joint venture is awaiting further advice on the status of SC6 (Cadlao).

25% Cadco Interest- subject to Cadco Arbitration (Arbitration)

Peak earned a 25% working interest (WI) in SC6 (Cadlao), and which is currently held on trust for Peak by Cadco. During the quarter, Peak and Cadco continued to progress the Arbitration in relation to the Cadco Interest with preliminary hearings scheduled to continue in 2015.



Peak's VenturOil Interest

In addition to the 25% working interest held on trust by Cadco, Peak also holds a prospective 16.25% indirect economic interest through its partial ownership of VenturOil Philippines Inc (VenturOil) which the Company acquired from Clove Capital Partners Limited in July 2012. This interest is not subject to the Cadco dispute. However, on 19 February 2015, VenturOil claimed to terminate unspecified agreements between VenturOil and the Company in connection with the SC6 Cadlao Service Contract on the basis that Peak is in breach of pre-funding obligations.

The Company is of the firm opinion that neither it, nor any subsidiary of it, is in breach of any obligation under any binding agreement between any of them and either of VenturOil or its related entity, Figurado Energy Investment Holdings, and that there are no grounds for termination of any binding agreement.

Minerals Project

The Sunday Creek project may provide future value to shareholders should the uranium sector recover. The Company remains open to offers from interested parties.

CORPORATE OVERVIEW

South Block A PSC – North Sumatra, Indonesia

During the quarter, following receipt of approval of shareholders in General Meeting, Peak sold the Company's indirect 38.25% interest in the South Block A PSC and associated intercompany debt for consideration of \$800,000.

Granted in 2009, the South Block A PSC is in Year 6 of the extended Initial Exploration Period with an exploration well required to be drilled in order to satisfy the Firm Work Commitment obligation of the permit.

The Peak Board sought proposals and considered numerous avenues for a transaction, mindful of Peak's need to fund its ongoing participation in South Block A, Peak's need to address its debt situation and Peak's general financial position.

The sale was effected via deed with respect to the sale of the one issued share in Peak Oil & Gas (SBA) Pte Ltd and assignment of debt (**Deed**) between Peak's wholly owned subsidiary Peak Oil & Gas (Australia) Pty Ltd (**POGA**) and Bow Energy International Holdings Inc (**Bow**), a subsidiary of ACL International Ltd, a company listed on the Ventures Board of the Toronto Stock Exchange.

Pursuant to the Deed, POGA transferred to Bow, the one issued share of Peak Oil & Gas (SBA) Pte Ltd and assigned to Bow the benefit of the \$4,164,673 intercompany debt owed by Peak Oil & Gas (SBA) Pte Ltd to POGA.

Peak Oil & Gas (SBA) Pte Ltd is the holder of 75% of the shares in Renco Elang Energy Pte Ltd, the 51% participant and Operator in the South Block A Production Sharing Contract, in North Sumatra.

Partial Loan Repayment

During the quarter, the Company made a partial loan repayment to Octanex NL of \$700,000 resulting from the sale of its South Block A interests. Peak's outstanding debt to Octanex relates to monies advanced by Octanex to Peak and predominantly spent by Peak to fund the acquisition of 2D seismic and other expenditure on the South Block A PSC. Following the partial loan repayment, the amount owed to Octanex, with interest, is approximately \$1,265,000. Octanex has to date exercised its discretion to grant extensions of the Due Date for repayment of Peak's and POGA's debt on a rolling 60 day cycle.

Rae Clark
Director and Company Secretary

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

Peak Oil & Gas Limited

ABN

79 131 843 868

Quarter ended ("current quarter")

30 June 2015

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'ooo	Year to date (12 months) \$A'ooo
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	-	(442)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(37)	(755)
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) – return of bond	-	25
Net Operating Cash Flows		(37)	(1,172)
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) – Investment in associate	-	(36)
Net investing cash flows		-	(36)
1.13	Total operating and investing cash flows (carried forward)	(37)	(1,208)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(37)	(1,208)
	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	-	1,047
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)	-	-
	Net financing cash flows	-	1,047
	Net decrease in cash held	(37)	(161)
1.20	Cash at beginning of quarter/year to date	89	213
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	52	52

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'ooo
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

\$260,000 proceeds received on 29 June 2015 by Octanex NL from Sale of South Block A interests applied to loan with Peak Oil & Gas Limited. Proceeds of \$440,000 received on 2 July 2015 by Octanex NL and applied to loan on that date.

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 #	1,714	1,714
3.2 Credit standby arrangements	-	-

Net of \$260,000 proceeds received by Octanex NL on 29 June 2015 from Sale of South Block A interests and applied to loan with Peak Oil & Gas Limited. Proceeds of \$440,000 received on 2 July 2015 by Octanex NL and applied to loan on that date.

Estimated cash outflows for next quarter *

	\$A'000
4.1 Exploration and evaluation	-
4.2 Development	-
4.3 Production	-
4.4 Administration	25
Total	25

* \$100,000 of proceeds received on 2 July 2015 from Sale of South Block A interests and remains in operating cashflow for future use.

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	52	89
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	52	89

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				
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 <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	680,253,247	680,253,247	N/A	N/A
7.4	Changes during quarter (a) Increases through issues (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 <i>(description and conversion factor)</i>	20,000,000	-	<i>Exercise price</i> \$0.28	<i>Expiry date</i> 25/11/2016
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Cancelled during quarter				
7.11	Debentures <i>(totals only)</i>				

+ See chapter 19 for defined terms.

7.12	Unsecured notes (<i>totals only</i>)		
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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: 
(Director)

Date: 29 July 2015

Print name: Raewyn Clark

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.

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