



ABN 96 009 217 154

25 January 2017

ASX Limited

Electronic lodgement

Subscription Agreements Funding Update

Xstate Resources Limited (ASX:XST) ("Xstate" or "the Company") provides the following update in regards to the Subscription Agreements funding announced on 19 December 2016.

There continue to be delays with receipt of the deposit funds into Australia from Indonesia. The Company has received a letter from Maybank Indonesian ("Maybank") confirming that instructions have been given to transfer A\$1.25 million to Xstate's bank account, and advising Xstate that the funds transfer has met unforeseen delays due to regulatory approval requirements.

Representatives of the company have spoken with the bank branch manager at Maybank and confirmed the details disclosed in the letter to the Company.

The Company has no reason to believe the deposit will not be received.

Due to the delays with the funding of the deposit, the Company has agreed with the investors to extend the date for receipt of the balance of funds from 25 January 2017 to 31 January 2017.

Subject to receiving shareholder approval, settlement of the recently announced Sansinena acquisition remains 17 February 2017.

For and on behalf of the Board of Xstate Resources Limited

For further details please contact:

Cosimo Damiano

Managing Director

Xstate Resources Limited

Tel Office: +61 8 9423 3200

Email: cosimodamiano@xstate.com.au

David McArthur

Non Executive Director/Company Secretary

Xstate Resources Limited

Tel Office: +61 8 9423 3200

Email: david.mcarthur@broadwaymgt.com.au

About Xstate Resources Limited

Xstate Resources (ASX Code: XST) is an ASX listed company focused on the oil and gas sector. The Company has existing gas exploration assets located in the Sacramento Basin, California and minor associated gas production.