ABN 96 009 217 154

30 August 2017

**ASX Limited** **Electronic lodgement**

# Legal Update – Summary Judgment Filed

## Comments

Xstate Resources Limited **(ASX: XST) ("Xstate" or "the Company")** provides the following update in relation to the non-payment of A$25 million in subscription funds by four investors who had signed binding, unconditional subscription agreements, such non-payment resulting in the termination by the vendor of Xstate's acquisition of the Los Angeles Basin assets as previously advised to the market.

On 2 August 2017, all four investors entered an unconditional appearance to the Supreme Court of Western Australia proceedings CIV 1951 of 2017 through their Australian legal representatives.

On 23 August 2017, the Company, through its solicitors, filed a Statement of Claim in the action. The Company also filed an Application for Summary Judgement in the Supreme Court of Western Australia against three of the four investors, for breach of the Subscription Agreements.. The Application for Summary Judgment has also been listed for a Directions Hearing on Tuesday 5 September 2017.

In addition, the Supreme Court action has been listed for a case management conference on Monday 4 September 2017.

Xstate will continue its efforts to reach a satisfactory and swift resolution of its claim for damages including damages for loss of opportunity relating to the investors' breach of contract and the consequent losses suffered by the Company.

Xstate will keep the market fully informed of any further changes.

**For and on behalf of the Board of Xstate Resources Limited**

**For further details please contact:**

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## 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 associated gas production. Xstate is presently pursuing new opportunities in the oil and gas sector onshore North America.