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ASX Release

Date: 28 October 2016

September Quarterly Activity Report

Summary

Tamaska is currently debt free, with cash holdings of \$2.243 million at 30 September 2016 and production income from the Fusselman and West Klondike projects.

The Company is also evaluating new business opportunities.

Tamaska Oil and Gas Projects

West Klondike Discovery, Louisiana - (TMK 10.2% WI)

Tamaska participated in the drilling of the West Klondike discovery well in late 2012. The well commenced producing gas from the lower Nod Blan on 4 September 2014. The lower gas zones have now been drained and the remaining unproduced zone is the Lario oil sand. Due to non-participation by one of the JV partners in the initial facilities and pipeline program, Tamaska has a beneficial interest of 11.36%.

The Lario Sand has produced over 4 million barrels of oil from the adjacent field ("Klondike") and in Tamaska's assessment, represents the greatest value of this well. It is noted that when the Lario was initially perforated in the West Klondike well during the testing phase the well flowed oil to surface with no assistance.

During the Quarter there has been significant activity in the project. The previous operator attempted to complete the Lario in August and whilst oil was recovered to surface the well failed to flow naturally. Following the failed recompletion, Oleum Operating LLC acquired 76.7% of the well and Operatorship. Oleum has significant operating experience in the area.

Since assuming operatorship, Oleum shared their analysis of the project and in particular the historical assessment of the Lario production at the Klondike field. They indicate all wells were acid washed as part of the completion exercise.

Oleum plans to pull the existing completion out of the hole, acid wash the oil zone and seek to establish production, either with natural flow or using a pump if required. Depending on the well rates achieved, the operator may consider a mini frac in addition to the acid.

On 18th October 2016, Oleum commenced operations to establish production from the Lario and are working through the operational program. Since commencement of the workovers (both Operators), a total of just over 100 barrels of oil have been recovered from the completion and will be sold.

Fusselman Project Well, Texas - (TMK 12.5%)

The Fusselman Well, Clayton Johnson #3F, operated by Marshfield Oil & Gas, was drilled to its total depth of 9,883 feet on 3 January 2013. Tamaska holds a 12.5% working interest in the Fusselman Project in Borden County, Texas.

Production commenced from the #3F well on 23 January 2013. Production from the well is with a pump jack (nodding donkey) and is a mixture of oil and formation water. The liquid production rate and consequently the oil rate has dropped considerably over the last quarter. The Operator is assessing whether it is the formation or the pump and considering workover or potential recompletion of the well to a shallower zone in the December quarter. If profitable production cannot be established the well will be abandoned.

	June 16 FY16	Sep16 Quarter	Dec16 Quarter
	Actual	Actual	Forecast
Net Produced bbls	~423 bbls	~22 bbls	-
Net Revenue after Royalty and well head taxes (US\$)	~\$12,844	~\$700	-

*Subject to final costs and sales off take figures

Tenement Summary

At 30 September 2016 the Company held the following interests in tenements:

Project	Percentage Interest	Number of Tenements
Fusselman Project	12.5%	7
West Klondike	10.2%	6

The Company has provided detailed tenement information in Schedule 1.

Corporate

The Company's AGM is scheduled for 30 November 2016 and a Notice of Meeting has been dispatched to shareholders.

The Company's Annual Financial Report has been released and is available on the Company website. Printed copies have also been dispatched to those shareholders who nominated to receive the printed version.

Cash Position at 30 September 2016

The Company had a closing cash balance of \$2.243 million at 30 September 2016.

Cost Control Measures

Due to the market conditions and commodity prices and to maintain the maximum working capital possible, the Board has agreed to continue at reduced hours and fees charged to Tamaska .

For and on behalf of the Board

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

TAMASKA OIL AND GAS LIMITED

ABN

66 127 735 442

Quarter ended ("current quarter")

30 September 2016

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	1	1
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(27)	(27)
(e) administration and corporate costs	(30)	(30)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	15	15
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	(41)	(41)

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	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(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	-	-

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	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,284	2,284
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(41)	(41)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	2,243	2,243

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 \$A'000	Previous quarter \$A'000
5.1 Bank balances	243	263
5.2 Call deposits	2,000	2,021
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)	2,243	2,284

6. Payments to directors of the entity and their associates

- 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

**Current quarter
\$A'000**

(18)

-

Consulting fees and directors' fees and expenses

7. Payments to related entities of the entity and their associates

- 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

**Current quarter
\$A'000**

-

-

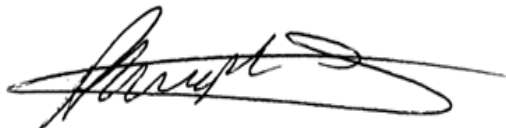
8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	
8.4 Include below a description 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.		

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	
9.2 Development	-
9.3 Production	18
9.4 Staff costs	27
9.5 Administration and corporate costs	30
9.6 Other (provide details if material)	
9.7 Total estimated cash outflows	75

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.



Sign here:
(Director/Company secretary)

Date: 28 October 2016

Print name: Alexander Parks

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.

West Klondike Project

As at 30 September 2016, Tamaska has a 10.2% working interest in the following tenements in the West Klondike Prospect, located in Iberville Parish, Louisiana.

Lease Number
WK#1A
WK#1B
WK#1C
WK#2
WK#3A
WK#3B

Fusselman Project Tenements

As at 30 September 2016, Tamaska has a 12.5% working interest in the following tenements in the Clayton Johnson #3F well, located in Borden County, Texas.

Tenement Location
Northeast Quarter of Section 5, All in Block 32 T-4-N, T&P Railroad Co.
Northeast Quarter of Section 5, All in Block 32 T-4-N, T&P Railroad Co.
Northeast Quarter of Section 5, All in Block 32 T-4-N, T&P Railroad Co.
Northeast Quarter of Section 5, All in Block 32 T-4-N, T&P Railroad Co.
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