



RAMPART ENERGY LIMITED

Operations Report and Appendix 5B

1 October 2014 to 31 December 2014

QUARTERLY SUMMARY

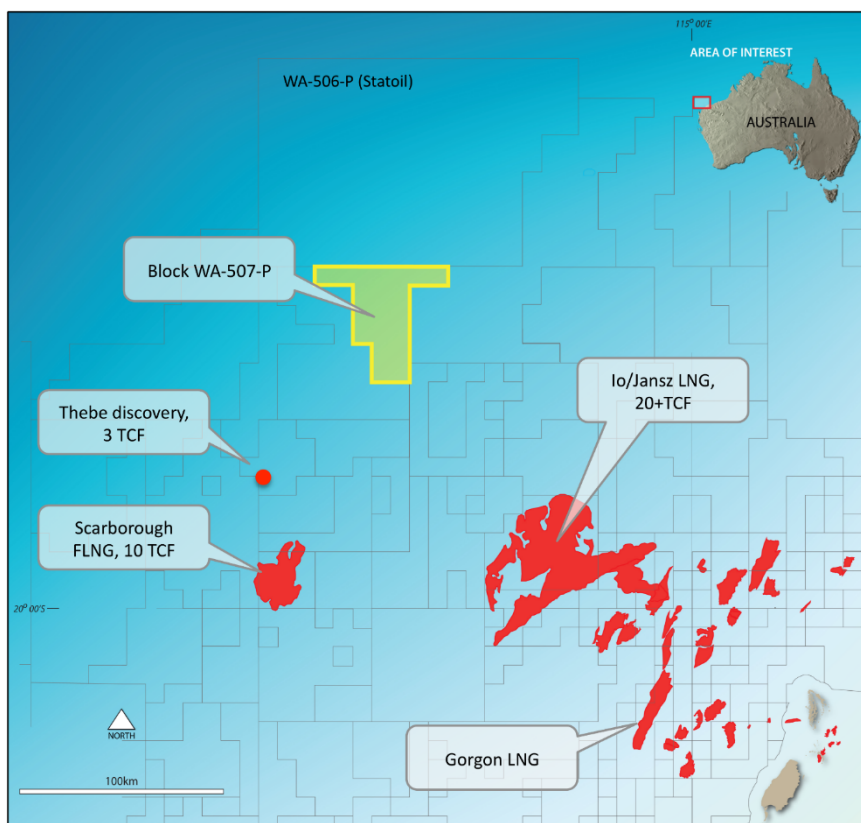
- Acquisition of Block WA-507-P, located offshore Western Australia
- Commencement of legal proceedings against Royale Energy, in relation to the Alaskan Western Block project
- Ongoing negotiation with Royale Energy regarding a possible commercial settlement, in relation to the Alaskan Western Block project
- Initiation of new ventures program to expand and rebalance portfolio

AUSTRALIA PROJECT

In November 2014 Rampart Energy secured the rights to an 80% working interest (as Operator) in newly awarded WA-507-P exploration permit. Block WA-507-P covers an area of 1622 km² over the Exmouth Plateau, located some 300 km offshore Western Australia in water depths of 1000 to 1500 metres. The block is covered by an existing, high quality 3D seismic dataset, which reveals the presence of a number of large structures, ranging from 60 km² to 280 km² in area. These structures have potential to contain significant quantities of gas and condensate, and the Company anticipates releasing an independent estimate of prospective resources within the next month.

The permit includes a firm commitment to conduct three years of geological and geophysical studies, and license the existing 3D seismic data (at a cost of US\$1.3 million, payable within 12 months of assignment of the working interest to Rampart). A discretionary well may be drilled between at any time before year 6, and the Company anticipates significant exploration drilling activity in neighbouring licensed permits during the intervening period. Adjacent permit WA-506-P was awarded to Statoil ASA, with a \$50 million 2D and 3D seismic commitment, reflecting well on the prospectivity of this part of the Exmouth Plateau.

Rampart is partnered in the permit by Black Swan Resources Pty Ltd, which owns the remaining 20% interest in the block and will be carried by Rampart for the first three years of the permit. Rampart secured the rights to the 80% working interest through an assignment agreement with an unrelated third party, and has negotiated various success-based payments to the third party, and to the provider of the existing seismic data, based upon achieving certain (success-based) project milestones. This has enabled Rampart to minimise the cost of entry to the asset, achieving an appropriate commercial structure with mostly contingent financial commitments. Assignment of the 80% working interest to Rampart is subject to approval by the National Offshore Petroleum Titles Administrator (NOPTA), which the Company expects to be confirmed in due course.



ALASKA NORTH SLOPE PROJECT STATUS

Following the postponement of drilling of two exploration wells in onshore Alaskan Western Block during the 2014/2015 winter drilling season, Rampart Energy has been negotiating with joint venture Operator, Royale Energy (**Royale**), to identify the best course of action to progress exploration of the Western Block.

In late November 2014 Royale Energy served legal proceedings against the Company's wholly-owned subsidiary, Rampart Alaska LLC. Rampart Energy has since served Royale Energy with an answer, counter-claim and third party complaint, and at the time of writing legal proceedings remain underway. The parties do however remain in negotiation regarding commercial resolution of the parties' dispute, and the Board of Rampart Energy is hopeful that agreement will be reached before the legal process proceeds in full.

In September 2014 the Company submitted its application to receive approximately US\$3.1 million of reimbursements, pertaining to the "Big Bend" 3D seismic program, from the state of Alaska's exploration tax credit structure. Rampart expects to take receipt of the funds in 2015, with the majority being used to pay down funds drawn against receivables from the Company's ACES credit facility.

Rampart Alaska will shortly file for an additional 45% of the US\$7.8 million total 3D seismic cost (approximately US\$3.5 million) in 1Q 2015. This additional US\$3.5 million will be in the form of a net operating loss (NOL) credit, and as such may only be filed in the first quarter of a calendar year. These funds will also be used to pay down funds drawn against receivables from the Company's credit facility, with the remaining funds to be allocated towards working capital.

CORPORATE SUMMARY

During mid 2014 the new Board of Rampart Energy recognised the need to expand and diversify the Company's oil & gas activities, such that the Company does not depend solely on any one particular project in order to create future shareholder value. The Company initiated a new ventures program, rapidly resulting in Rampart Energy securing the rights to the 80% working interest in Block WA-507-P. This new asset signifies a change of strategy for Rampart Energy, under which the Board intends to develop an expanded and balanced portfolio of oil & gas assets, on appropriate and achievable commercial terms. Importantly for the Company, Operatorship provides a high degree of control over the program and associated costs.

The new ventures program remains active and, as the first addition to the new portfolio, Block WA-507-P represents a long term, low cost opportunity with significant potential upside.

CAPITAL

The Company had the following securities on issue at 31 December 2014:

	Number
Ordinary shares quoted on the ASX	528,492,277
Stock Option on Issue:	
Quoted RTDO expiring 31/1/2016 exercise price \$0.105	108,164,528
Unquoted stock options on issue expiring various dates	89,993,964
Performance rights	45,000,000

1. On 17 October 2014 the Company issued 109,000,000 new shares for no consideration to allottees of the placement conducted by the Company on 17 July 2014 (refer to ASX announcement dated 20 August 2014).
2. On 17 October 2014 the Company issued 45,000,000 Performance Rights to directors, as approved at the General Meeting held on 8 October 2014 (refer to ASX announcement dated 20 August 2014).
3. On 17 October 2014 the Company issued 10,000,000 unlisted options to DJ Carmichael stockbrokers as approved at the General Meeting held on 8 October 2014, (refer to ASX announcement dated 20 August 2014).

FINANCIAL

Reconciliation of expenditure

This is the first quarterly report for Rampart Energy Limited, for the year ending 30 September 2015.

Exploration and evaluation

The estimated exploration and evaluation expenditure cash flows amounted to \$120,000, actual expenditure amounted to \$156,000. The increase is due to \$34,000 being invested in the new WA-507-P project.

Administration

The estimated administration expenditure cash flows included in the previous report amounted to \$300,000, actual expenditure amounted to \$221,000. The decrease is due to lower legal and professional fees offset by higher promotion expenses

Cash at the end of the quarter

Cash at 31 December 2014 was \$1,027,291.

During the prior year ended 30 September 2014 the Company completed its USD\$50 million funding facility with a major international investment group for a ACES based credit facility that will cover a significant portion of the upfront exploration program costs. At 31 December 2014, the company has drawn down USD\$5,958,718 (including estimated interest changes) following a \$989,235 loan and \$84,909.39 interest repayment in October 2014, leaving USD\$44,041,282 undrawn.

The Company notes that it deems the Socius facilities unusable and that the AGS Facilities remain undrawn from the previous quarter.

Attached is the Appendix 5B Consolidated Statement of Cash Flows for the period from 1 October 2014 to 31 December 2014.

ASX Listing Rule 5.3.3 tenement details

Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
North Slope Project Alaska USA	See (a)	30%	30%
Baxter Joint Venture Township 19 North Range 106 West Section 12: All Section 24: All Wyoming USA	See (b)	15%	15%
Baxter Joint Venture Township 19 North, Range 106 West Section 4: Lots 5-8 Section 24: Lots 8-14 Wyoming USA	See (b)	15%	15%
Baxter Joint Venture Township 19 North, Range 106 West Section 2: Lots 5-8 Section 10: All Section 22: E2 Wyoming USA	See (b)	15%	15%
Baxter Joint Venture Township 19 North, Range 106 West Section 18: Lots 5-8 Section 20: All Wyoming USA	See (b)	15%	15%
Baxter Joint Venture Township 19 North, Range 106 West Section 22: All Wyoming USA	See (b)	15%	15%
Baxter Joint Venture Township 19 North, Range 106 West Section 22: W2 Wyoming USA	See (b)	15%	15%

Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
<p>North Slope Tract 522C</p> <p>T. 7 N., R. 3 E., UM Section 10: S2; Section 11: SW4; Section 14: W2; Section 15: All</p>	See (a)	30%	30%
<p>North Slope Tract 522D</p> <p>T. 7 N., R. 3 E., UM Section 11: SE4; Section 12: S2; Section 13: All; Section 14: E2</p>	See (a)	30%	30%
<p>North Slope Tract 523</p> <p>T. 7 N., R. 3 E., UM Section 4: All; Section 5: All; Section 6: All; Section 7: All; Section 8: All; Section 9: All; Section 16: All; Section 17: All; Section 18: All</p>	See (a)	30%	30%
<p>North Slope Tract 526A</p> <p>T. 7 N., R 4 E., UM Section 2: W2; Section 3: All; Section 10: N2; Section 11: NW4</p>	See (a)	30%	30%
<p>North Slope Tract 526B</p> <p>T. 7 N., R 4 E., UM Section 1: All; Section 2: E2; Section 11: NE4; Section 12: N2</p>	See (a)	30%	30%
<p>North Slope Tract 526C</p> <p>T. 7 N., R 4 E., UM Section 10: S2; Section 11: SW4; Section 14: W2; Section 15: All</p>	See (a)	30%	30%

Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
<p>North Slope Tract 526D</p> <p>T. 7 N., R 4 E., UM Section 11: SE4; Section 12: S2; Section 13: All; Section 14: E2</p>	See (a)	30%	30%
<p>North Slope Tract 527A</p> <p>T. 7 N., R. 4 E., Tract A, UM Section 5: W2; Section 6: All; Section 7: N2; Section 8: NW4</p> <p>T. 7 N., R. 4 E., Tract C, UM Section 6: All</p>	See (a)	30%	30%
<p>North Slope Tract 527B</p> <p>T. 7 N., R. 4 E., Tract A, UM Section 4: All; Section 5: E2; Section 8: NE4; Section 9: N2</p> <p>T. 7 N., R. 4 E., Tract B, UM Section 4: All</p>	See (a)	30%	30%
<p>North Slope Tract 527C</p> <p>T. 7 N., R. 4 E., UM Section 7: S2; Section 8: SW4; Section 17: W2; Section 18: All</p>	See (a)	30%	30%
<p>North Slope Tract 527D</p> <p>T. 7 N., R. 4 E., UM Section 8: SE4; Section 9: S2; Section 16: All; Section 17: E2</p>	See (a)	30%	30%

Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
<p>North Slope Tract 612</p> <p>T. 8 N., R. 3 E., UM Section 13: All (excluding NPR-A); Section 14: All (excluding NPR-A); Section 23: All; Section 24: All; Section 25: All; Section 26: All; Section 35: All; Section 36: All</p>	See (a)	30%	30%
<p>North Slope Tract 613</p> <p>T. 8 N., R. 4 E., UM Section 1: All; Section 2: All (excluding NPR-A); Section 3: All (excluding NPR-A); Section 10: All (excluding NPR-A); Section 11: All; Section 12: All; Section 13: All; Section 14: All; Section 15: All</p>	See (a)	30%	30%
<p>North Slope Tract 614</p> <p>T. 8 N., R. 4 E., UM Section 7: All (excluding NPR-A); Section 8: All (excluding NPR-A); Section 9: All (excluding NPR-A); Section 16: All (including USS 9114 and excluding NPR-A); Section 17: All (including USS 9114); Section 18: All (excluding NPR-A)</p>	See (a)	30%	30%
<p>North Slope Tract 615C</p> <p>T. 8 N., R. 4 E., UM Section 29: SW4; Section 30: S2; Section 31: All; Section 32: W2</p>	See (a)	30%	30%
<p>North Slope Tract 615D</p> <p>T. 8 N., R. 4 E., UM Section 28: S2; Section 29: SE4; Section 32: E2; Section 33: All</p>	See (a)	30%	30%

Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
North Slope Tract 616A T. 8 N., R. 4 E., UM Section 22: All; Section 23: W2; Section 26: NW4; Section 27: N2	See (a)	30%	30%
North Slope Tract 616B T. 8 N., R. 4 E., UM Section 23: E2; Section 24: All; Section 25: N2; Section 26: NE4	See (a)	30%	30%
North Slope Tract 616C T. 8 N., R. 4 E., UM Section 26: SW4; Section 27: S2; Section 34: All; Section 35: W2	See (a)	30%	30%
North Slope Tract 616D T. 8 N., R. 4 E., UM Section 25: S2; Section 26: SE4; Section 35: E2; Section 36: All	See (a)	30%	30%

Nature of interest

- (a) The Company has the right to acquire a 75% working interest in the North Slope Project in staged performance milestones. During the quarter the Company was assigned an additional 20% working interest in the Western Block, held by Rampart Alaska LLC (total 30%).
- (b) The interests are held by Spring River Resources LLC.

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10, 17/12/10, 01/05/2013

Name of entity

RAMPART ENERGY LTD

ABN

ABN 86 115 229 984

Quarter ended ("current quarter")

31 DECEMBER 2014

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (3 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors –sale of project	-	-
1.2 Payments for (a) exploration & evaluation	(156)	(156)
(b) development	-	-
(c) production	-	-
(d) administration	(221)	(221)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	4	4
1.5 Interest and other costs of finance paid	(273)	(273)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	(18)	(18)
Net Operating Cash Flows	(664)	(664)
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)	-	-
Net investing cash flows	-	-
1.13 Total operating and investing cash flows (carried forward)	(664)	(664)

+ See chapter 19 for defined terms.

		Current quarter \$A'000	Year to date (3 months) \$A'000
1.13	Total operating and investing cash flows (brought forward)	(664)	(664)
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	273	273
1.17	Repayment of borrowings	(1,220)	(1,220)
1.18	Dividends paid	-	-
1.19	Other (provide details if material) Share Issue costs	(6)	(6)
Net financing cash flows		(953)	(953)
Net increase (decrease) in cash held		(1,617)	(1,617)
1.20	Cash at beginning of quarter/year to date	2,629	2,629
1.21	Exchange rate adjustments to item 1.20	15	15
1.22	Cash at end of quarter	1,027	1,027

Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	86
1.24	Aggregate amount of loans to the parties included in item 1.10	-
1.25	Explanation necessary for an understanding of the transactions Cash payment in respect of directors' remuneration and superannuation.	

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

N/A.

- 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

N/A

+ 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	AUD\$60,960,741 ⁽¹⁾	AUD\$7,264,957 ⁽¹⁾
	USD\$50,000,000	USD\$5,958,718
3.2 Credit standby arrangements	Nil	Nil

⁽¹⁾Exchange rate AUD\$1:USD\$0.8202

During the prior year ended 30 September 2014 the Company completed its USD\$50 million funding facility with a major international investment group for a ACES based credit facility that will cover a significant portion of the upfront exploration program costs. At 31 December 2014, the company has drawn down USD\$5,958,718 (including estimated interest changes) following a \$989,235 loan and \$84,909.39 interest repayment in October 2014, leaving USD\$44,041,282 undrawn.

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	190
4.2 Development	-
4.3 Production	-
4.4 Administration	230
Total	420

In the next quarter interest is estimated at AUD\$270,000; that will be funded by the ACES facility.

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	1,027	1,500
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (See below)	-	1,130
Total: cash at end of quarter (item 1.22)	1,027	2,630

At 30 September 2014, cash drawn down on the ACES facility not yet used by the Company amounts to \$1,130,297 (USD \$989,236). These funds are held in an Alaskan bank account and can only be used for specific project costs, under the terms of the Melody facility. In October 2014, the \$1,130,297 was used to repay the ACES facility principal.

+ See chapter 19 for defined terms.

Changes in interests in mining tenements and petroleum tenements

	Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed	N/A		
6.2	Interests in mining tenements and petroleum tenements acquired or increased	WA-507-P	(1)	(1)

1. On 18 November 2014 the Company announced that it had secured the rights to an 80% working interest in WA-507-P, a Western Australian exploration asset.

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 (post-consolidation)	Number quoted (post-consolidation)	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference + securities (description)	Nil	Nil		
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	Nil	Nil		
7.3	+Ordinary securities	528,492,277	528,492,277		
7.4	Changes during quarter (a) Increases through - Issued (b) Decreases through returns of capital, buy-backs	109,000,000 n/a	109,000,000 n/a	n/a n/a	n/a n/a
7.5	+Convertible debt securities (description)	Nil	Nil		
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	Nil	Nil		

+ See chapter 19 for defined terms.

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.7	Options (description and conversion factor)			<i>Exercise price</i>	<i>Expiry date</i>
	Unquoted options	10,000,000	Nil	\$0.03	30/09/2017
	Unquoted options	1,566,679	Nil	\$0.60	10/08/2015
	Unquoted options	843,882	Nil	\$1.185	14/02/2016
	Unquoted options	2,000,000	Nil	\$0.06	30/04/2016
	Unquoted options	10,083,334	Nil	\$0.12	30/09/2016
	Unquoted options	25,500,069	Nil	\$0.0675	31/07/2016
	Unquoted options	27,500,000	Nil	\$0.10	30/01/2015
	Unquoted options	<u>12,500,000</u>	Nil	\$0.12	31/10/2016
	Total Unquoted Options	<u>89,993,964</u>			
	Performance rights	45,000,000	Nil		
	Total quoted	108,164,528	108,164,528	\$0.105	31/01/2016
7.8	Issued during quarter				
	Quoted RTDO	Nil	Nil		
	Unquoted	10,000,000	Nil	\$0.03	30/9/2017
	Performance rights	45,000,000	Nil	See below (i)	
	Exercised during quarter	Nil	Nil		
7.9	Expired during quarter	Nil	Nil		
	Performance Rights				
7.10	Debentures (totals only)				
7.11	Unsecured notes (totals only)				

(i) Performance Rights terms and performance hurdles:

Commencement date: 1 July 2014

Expiry date: 30 June 2018

Vesting Hurdles:


- (1) Subject to remaining in tenure as a director of the Company:
 - 5,000,000 to vest on 30 June 2015,
 - 5,000,000 to vest on 30 June 2016, and
 - 5,000,000 to vest on 30 June 2017 (“Tenure Vested Performance Rights”).
- (2) 5,000,000 Tenure Vested Performance Rights to convert to fully paid shares the Company’s share price remains above 3.5 cents for five consecutive days prior to Expiry Date.
- (3) 10,000,000 Tenure Vested Performance Rights to convert to fully paid shares the Company’s share price remains above 5 cents for five consecutive days prior to Expiry Date – less any Performance Rights that may have converted under Hurdle 2.
- (4) 15,000,000 Tenure Vested Performance Rights to convert to fully paid shares the Company’s share price remains above 8 cents for five consecutive days prior to Expiry Date – less any Performance Rights that may have converted under Hurdles 2 and 3.

+ 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 5).

2 This statement does give a true and fair view of the matters disclosed.

Sign here:  Date: 29 January 2015
(Company secretary)

Print name: Mr Rory McGoldrick

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 and petroleum 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 or petroleum 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.

+ See chapter 19 for defined terms.