



**ASX
ANNOUNCEMENT**

RAMPART ENERGY LIMITED

**Operations Report and
Appendix 5B**

1 July 2014 to 30 September 2014

QUARTERLY SUMMARY

- Negotiations with Royale Energy regarding future participation in Western Block exploration project
- Commencement of new ventures program to expand and rebalance portfolio
- Completion of capital raising, first tranche
- Filing for US\$3.1 million of ACES tax reimbursements completed
- Reducing corporate overheads

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. Those discussions are continuing, and thus far no agreement has been reached.

Rampart and Royale parties have differing views on a number of key issues regarding the legacy Participation Agreement and Joint Operating Agreement that govern the Joint Venture, and there is no guarantee that a mutually acceptable resolution will be reached. As a result the Rampart board is considering all options regarding its future involvement in the project.

The Company is working diligently to resolve this significant uncertainty regarding the company's participation in the project and will make an announcement as soon as a definitive outcome is achieved.

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 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

Further to the significant Board and management changes as announced in early July 2014, the new Board has assumed executive responsibilities in the absence of a full-time executive employee. The Board anticipates that this arrangement will continue until such time as the Company is re-positioned with an expanded and balanced asset portfolio, and sufficiently funded to progress a number of new projects. At that point the Board expects to appoint a Managing Director with the appropriate skills and experience to move the Company forward. In the meantime the Board is reviewing the Company's corporate overheads, and is in the process of terminating or renegotiating a number of key service contracts.

In July 2014 the Company announced the raising of approximately \$3.0 million (gross) through the placement of 85 million new shares to domestic and international institutions and sophisticated/professional investors. The placement was undertaken by Lead Manager DJ Carmichael Pty Ltd, and priced at \$0.035 per share; representing a 5% discount to the previous closing price.

The Placement was comprised of two tranches. The first tranche of approximately 54.5 million new shares utilised the Company's available 15% placement capacity under ASX Listing Rule 7.1, and completed. The second tranche, involving a placement of 30.5 million new shares, was withdrawn by Rampart Energy due to the significant decline in the Company's share price. The Company withdraw an associated Share Purchase Plan for the same reason.

CAPITAL

The Company had the following securities on issue at 30 September 2014:

	Number
Ordinary shares quoted on the ASX	419,492,777
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	79,993,964

During the quarter 54,500,000 ordinary fully paid shares were issued at \$0.035 per share, raising \$1.9 million.

FINANCIAL

Reconciliation of expenditure

This is the fourth quarterly report for Rampart Energy Limited, for the year ending 30 September 2014.

Exploration and evaluation

The estimated exploration and evaluation expenditure cash flows amounted to \$1,500,000, actual expenditure amounted to \$545,000. The decrease is due to postponement of the Western Block drilling program.

Administration

The estimated administration expenditure cash flows included in the previous report amounted to \$500,000, actual expenditure amounted to \$743,000. The increase is due to legal and professional fees, and an employee termination payment.

Cash at the end of the quarter

Cash at 30 September 2014 was \$2,629,375.

During the 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 30 September 2014, the company has drawn down USD\$6,863,447 (including estimated interest changes) leaving USD\$43,136,553 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 July 2014 to 30 September 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 Rage 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%

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

Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
<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%
<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%

Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
North Slope Tract 615D T. 8 N., R. 4 E., UM Section 28: S2; Section 29: SE4; Section 32: E2; Section 33: All	See (a)	30%	30%
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")

30 SEPTEMBER 2014

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (12 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	(545)	(13,505)
(b) development	-	-
(c) production	-	-
(d) administration	(743)	(1,944)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	6	21
1.5 Interest and other costs of finance paid	(592)	(592)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	(1,874)	(16,020)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	(2)
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	-	(2)
1.13 Total operating and investing cash flows (carried forward)	(1,874)	(16,022)

+ See chapter 19 for defined terms.

		Current quarter \$A'000	Year to date (12 months) \$A'000
1.13	Total operating and investing cash flows (brought forward)	(1,874)	(16,022)
Cash flows related to financing activities			
1.14	Proceeds from issues of shares, options, etc.	1,907	10,912
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	728	7,842
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material) Share Issue costs	(326)	(1,091)
Net financing cash flows		2,309	17,633
Net increase (decrease) in cash held		435	1,641
1.20	Cash at beginning of quarter/year to date	2,067	949
1.21	Exchange rate adjustments to item 1.20	127	39
1.22	Cash at end of quarter	2,629	2,629

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	129
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\$56,719,799 ⁽¹⁾ USD\$50,000,000	AUD\$7,842,287 ⁽¹⁾ USD\$6,863,447
3.2 Credit standby arrangements	Nil	Nil

⁽¹⁾Exchange rate AUD\$1:USD\$0.8752

During the 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 30 September 2014, the company has drawn down USD\$6,863,447 (including estimated interest changes) leaving USD\$43,136,553 undrawn. In October 2014, \$1,130,297 (USD \$989,236) was repaid see 5.4 for further details.

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	120
4.2 Development	-
4.3 Production	-
4.4 Administration	300
Total	420

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	1,500	894
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (See below)	1,130	1,173
Total: cash at end of quarter (item 1.22)	2,630	2,067

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 (USD \$989,236) was used to repay the ACES facility.

+ 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	N/A		

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	419,492,277	419,492,277	
7.4	Changes during quarter (a) Increases through - Issued (b) Decreases through returns of capital, buy-backs	54,500,000 n/a	54,500,000 n/a	\$0.035 n/a

+ 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)
7.5	+Convertible debt securities (<i>description</i>)	Nil	Nil		
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	Nil	Nil		
7.7	Options (<i>description and conversion factor</i>)			<i>Exercise price</i>	<i>Expiry date</i>
	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>79,993,964</u>			
	Total quoted	108,164,528	108,164,528	\$0.105	31/01/2016
7.8	Issued during quarter Quoted RTDO Unquoted	Nil Nil	Nil Nil		
	Exercised during quarter	Nil	Nil		
7.9	Expired during quarter Performance Rights	13,333,334	Nil		
7.10	Debentures (<i>totals only</i>)				
7.11	Unsecured notes (<i>totals only</i>)				

The performance rights expired following the cessation of Torey Marshall's employment on 3 July 14.

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: 
(Company secretary)

Date: 31 October 2014

Print name: Mr Rory McGoldrick

+ See chapter 19 for defined terms.

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.