

**ASX:NHO****Released: 21 April 2017****Directors****Tony Brennan**
Non Executive Chairman**Carl Coward**
Non Executive Director**Gary Steinepreis**
Non Executive Director**Registered Office**Level 1, 33 Ord Street
West Perth WA 6005
Australia
T: +61 8 9420 9300
admin@newhorizoncoal.com.au**ACTIVITIES REPORT
FOR THE QUARTER ENDED 31 MARCH 2017**

This activities report for New Horizon Coal Ltd (ASX: **NHO**, “the **Company**”) provides a summary of activities undertaken during the quarter ended 31 March 2017.

On 5 January 2017, the Company signed agreements to acquire 2 Texas, USA oil and gas projects being:

- an agreement to purchase a 100% working interest in 3,118 net acres in Trinity, Houston and Walker counties, Texas, USA (**Trinity Oil Project**) which is an area which has seen recent oil exploration and production activity in the Woodbine, Eagle Ford, Buda and Glen Rose formations (“Eaglebine” and “BudaRose”); and
- an agreement to drill 3 oil wells in Presidio County, Texas, USA (**Presidio Oil Project**) to earn a 70% working interest in 6,280 net acres which are prospective for oil in the Edwards, Olmos and Eagle Ford formations.
- The total combined purchase price to be paid by NHO for the Trinity Oil Project and the Presidio Oil Project is US\$1,450,000 cash plus 240,000,000 shares (post consolidation) along with 240,000,000 performance rights (post consolidation).

On 6 February 2017, shareholders approved a 2 for 1 consolidation of its capital and various resolutions to provide the authority to complete the above transactions.

On 7 April 2017, NHO satisfied all the conditions of the Offers, completed the acquisition of the Trinity Oil Project and Presidio Oil Project for the consideration as noted above and raised A\$13,000,000 under the partially underwritten non-renounceable Rights Issue.

NHO is now working on the placement of the shortfall offer and satisfying the ASX conditions for reinstatement.

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

New Horizon Coal Ltd

ABN

61 143 932 110

Quarter ended ("current quarter")

31 March 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation		
(b) development		
(c) production		
(d) staff costs		
(e) administration and corporate costs	(32)	(136)
1.3 Dividends received (see note 3)		
1.4 Interest received	1	3
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Research and development refunds		
1.8 Other (Net GST Activity-BAS)	(7)	(12)
1.9 Net cash from / (used in) operating activities	(38)	(145)

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		

Mining exploration entity and oil and gas exploration entity quarterly report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 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-prepaid prospectus and acquisition expenses	(227)	(227)
3.10	Net cash from / (used in) financing activities	(227)	(227)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	471	578
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(38)	(145)
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)	(227)	(227)

Mining exploration entity and oil and gas exploration entity quarterly report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	206	206

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	206	471
5.2	Call deposits	-	-
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)	206	471

6. Payments to directors of the entity and their associates

Current quarter \$A'000

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

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

Current quarter \$A'000

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

Mining exploration entity and oil and gas exploration entity quarterly report

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.		

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9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation (on the basis of settlement of the acquisitions and capital raising completion)	700
9.2 Development	-
9.3 Production	-
9.4 Staff costs	-
9.5 Administration and corporate costs	75
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	775

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: *(lodged electronically)* Date: 21 April 2017
 (Director/Company secretary)

Print name: Gary Steinepreis

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.