



BIG STAR ENERGY

31 July 2018

Activities Report Quarter Ended 30 June 2018

HIGHLIGHTS

BIG STAR PROJECT

- Bypassed oil review identifies potential unproduced zones of interest in Upper Spraberry Formation in 3 Big Star Project wells. Commercial evaluation of the development opportunity is underway.
- Paul Jordan (30+ year veteran of the US oil industry) appointed director of the Company's US subsidiary.

NEW VENTURES

- Several upstream oil and gas opportunities identified and screened.

CORPORATE

- Company name and ASX ticker changed to Big Star Energy Limited (ASX:BNL).
- Two placements completed raising a total of \$2,026,875 (before costs) from the issue of 315,000,000 shares and 75,000,000 options.
- Cash on hand at end of quarter was ~\$1.2million.

OPERATIONS

Big Star Project – Midland Basin, Texas

The handover and transition of the operations to the new management team at Big Star began in earnest during the quarter. The in-country team has been established with Paul Jordan, a 30+ year veteran of the US oil industry appointed as director of the Company's US subsidiary (Antares Energy Company) overseeing the Company's Big Star Project in Texas and assisting with US-based new ventures assessments. His experience includes management oversight and direct involvement in engineering, production, evaluation and operations at both financial institutions and oil and gas operating companies.

Production Wells – Production and Operations

During the quarter, operational efforts focused on a maintenance review of the production wells following the long period of administration. Repairs and maintenance at the Stuart and Simmons wells were undertaken to the production and H2S treatment units.

Production Wells – Bypassed Oil Study

During the quarter, Petrophysical Solutions Inc. (PSI) was commissioned to undertake a petrophysical study of Big Star's existing wells for any potential oil zones of interest (ZOI)

that have not yet been produced. The study will shortly be completed. Some early results have identified several ZOI in the Upper Spraberry and Wolfcamp D horizons that are potential development targets. The potential commerciality of a workover program to develop and produce these ZOI will be assessed during the September quarter.

Exploration Acreage and Portfolio Management

The second objective of the PSI study commissioned during the quarter was to assist in the evaluation of the Big Star Project exploration acreage potential by reviewing the existing wells for horizontal development well opportunities. The conclusions of the study as they relate to the exploration acreage will be completed during the September quarter.

New Ventures

The Company is actively pursuing upstream oil and gas acquisition opportunities that fit its strategy, as outlined in the prospectus dated 11 April 2018. During the quarter, a number of these opportunities were identified and screened.

CORPORATE

Following the approval of shareholders on 23 January 2018, the deed of company arrangement (DOCA) was effectuated on 23 March 2018, at which time the new directors joined the board of the Company.

The Company completed placings on 9 April 2018 (First Placement) and 23 May 2018 (Public Offer). In total, \$2,206,875 was raised (before costs of the DOCA and recapitalisation) from the issue of 150,000,000 fully paid ordinary shares and 75,000,000 unlisted options under the First Placement and 165,000,000 shares under the Public Offer. The Public Offer was over-subscribed, which resulted in applicants being scaled back to accommodate the extra demand.

The Company changed its name to Big Star Energy Limited on 4 June 2018 and its ASX ticker changed to BNL.

Big Star's cash at the end of the June 2018 quarter was approximately \$1.2 million.

TENEMENT TABLE

Tenements held at the end of the quarter and changes thereof:

Permit	Acreage held at the beginning of the Quarter	Acreage held at the end of the Quarter	Acreage acquired (disposed/lapsed)
Held By Production Acreage, Big Star Project, Texas, USA	240 acres	240 acres	-
Exploration Acreage, Big Star Project, Texas, USA	1747 net acres	1013 net acres	(734 net acres)

For further information contact: info@bigstarenergy.com