

ASX Announcement – 31 July, 2019**Quarterly Activities Report for the Quarter Ended 30 June 2019**

Hawkley Oil & Gas Limited (“Hawkley” or “The Company”) provides the following report on its activities for the quarter ended 30 June 2019.

Business Development

Following completion of the sale of its Ukraine Oil & Gas assets in November 2016, the Company’s securities were suspended from trading on the ASX on 11 May 2017 whilst the Company sought to acquire a new main undertaking. Recent changes to the ASX Listing Rules announced 15 April 2019 mean that Hawkley may be automatically removed from the Official List on 3 February 2020 if the Company has not completed a transaction and resumed trading of its securities by that time.

The Company continues to focus on new oil & gas acquisition opportunities in more politically stable regions and the directors are in advanced negotiations to acquire an operating interest in a producing on-shore oil & gas project in North America whilst also continuing to review several other projects. Shareholders should be aware that there is no certainty of such discussions and negotiations leading to a transaction being concluded. The Company will provide shareholders with an update by way of ASX announcements.

The Company remains focused on completing an acquisition that will support recapitalisation of the Company and satisfy the ASX requirements for a resumption of share trading. The directors are pursuing options for interim funding to support the Company whilst it undertakes the recompliance process.

Corporate

During the quarter there were several Board changes. Mr. Bill Foster resigned from his position as a Non-Executive Director on 9 April 2019 after more than five years and Mr. David Lloyd resigned on 21 June 2019 after serving more than two years as Chairman.

Mr. Tom Fontaine joined the Board as Managing Director on 21 June 2019. Tom is a professional engineer with over 25 years’ experience in starting, running and building resource companies. He is currently a major shareholder and on the board of several early stage resource companies focused in

Directors**Tom Fontaine**
Managing Director**Murray Wylie**
Non-Executive Director**Share Information**

ASX Code:	HOG
Shares on Issue:	456.2M
Options on Issue:	25.4M
Share Price*:	0.3¢
Market Cap*:	\$1.4M

*As at 11 May 2017 when shares were suspended from trading on ASX

Australia, Cuba, Africa and North America. He was a founder of Pure Energy and helped build it into a \$1 billion company in 4 years.

As a result of the director changes, a general meeting requisitioned by a substantial shareholder under sections 203D and 249D of the Corporations Act was cancelled. Hawkley is in discussions with potential candidates and expects to announce the appointment of another director shortly. The current board would like to express their appreciation to Bill and David for their valuable service to the Company.

Extension to Loan Agreement

Hawkley advised on 21 June 2019, that it had reached agreement with Emco Capital Pty Ltd (“Emco”), an entity associated with the Company’s former chairman, Mr. David Lloyd, to amend the terms of a converting loan agreement entered into in June 2018.

The main changes were:

- extending the agreement by a further six months, with the loan now required to be converted and/or repaid on or before 31 December 2019;
- removing the option for further drawdowns of up to \$100,000, thereby capping the loan amount at \$200,000 plus interest of 3% calculated daily and applied at settlement or conversion; and
- allowing Emco to elect whether the loan amount is to be repaid in cash or to convert all or part of the debt into equity. Conversion would be at the previously agreed rate of 0.2 cents per share (subject to adjustment in the event of a reorganisation of capital) and would require Hawkley shareholder approval for the loan conversion rights.

For more information, please contact:

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Petroleum Tenements

The Company currently has no petroleum tenements following the disposal of its Ukraine assets in November 2016.