



June Quarterly Activity Report

Highlights

- Tamaska receives first production revenue from Clayton Johnson #3F well
- Successful flow testing of the West Klondike exploration well, Wilberts Sons LLC #1 confirmed commercial gas
- Progress continued towards finalising the Duvernay Shale and Rock Creek oil acreage sale to CPO for cash consideration of ~ A\$3.6m before tax
- The Company is continuing to review new oil and gas asset acquisition and investment opportunities

Fusselman Formation Proved Undeveloped (PUD) Well, Texas - (TMK 12.5%)

The Fusselman Well, Clayton Johnson #3F, operated by Marshfield Oil & Gas, was drilled to its total depth of 9,883 feet on 3 January 2013. Tamaska has earned a 12.5% working interest in the Fusselman Project in Borden County, Texas which includes another potential drilling location within the lease acreage.

Production commenced from the #3F well on 23 January 2013. Production from the well is with a pump jack (nodding donkey) and is a mixture of oil and formation water. After commencing production at 50bopd and 200bwpd, the well is currently averaging approximately 30bopd and 200bwpd. The formation water is believed to be flowing from the underlying Montoya formation behind the production casing.

	March 13 Quarter	June 13 Quarter	September 14 Quarter
	Actual	Estimated*	Forecast
Net Produced bbls	342 bbls	421 bbls	~500 bbls
Net Revenue after Royalty and well head taxes (US\$)	\$ 21,129.97	\$ 27,498.94	~\$ 34,000
Normal Operating Costs (US\$) excluding workovers	\$ 11,193.11	\$ 16,730.55	~\$ 13,500

*Subject to final costs and sales off take figures

During the last quarter the well has been worked over twice, once to repair a hole in the tubing and adjusting the depth of the pump setting to try to optimise water oil production ratios, deepening of the pump has resulted in a drop from 50bopd to 30bopd. Subject to JV approval, the Operator is preparing to perform a cement squeeze below the Fusselman formation to eliminate (or substantially reduce) the water production. The forecast production for the September quarter assumes the squeeze will be successful.

West Klondike Prospect, Louisiana - (TMK 10.2% WI)

The Wilberts Sons LLC #1 exploration well on the West Klondike Prospect in Louisiana drilled to its total depth of 10,900ft on 13 December 2012. Electric logs confirmed it as a discovery well with material net pay in 2 separate target horizons, with 4ft in the Lario sands, 6ft in the U Nod Blan and 35ft in the Lower Nod Blan sands.

As announced on 13 May, the Company advised that the Wilbert Sons LLC #1 well was perforated and flow tested successfully at over 2 MMcf gas per day from the lower Nod Blan. The well has been suspended pending installation of facilities. Due to the well site location, it is anticipated dedicated production facilities and the export pipeline will take approximately 4 months to install and the well is expected to go on production in the December quarter.

An update on likely ranges of reservoir reserves will be provided once production has confirmed discoveries. A summary of the reservoirs characteristics is provided below:

Depths (ft)		Sand	Net Pay	Content	Description	Contingent Resource Estimates
10,330 10,350	-	Lario	4ft	Oil	18-20% porosity appears tight	100,000-520,000 bbls oil
10,518 10,524	-	U Nod Blan	6ft	Condensate/gas	Good porosity	3-10,000 bbls oil / 100-135 MMscf
10,616 10,661	-	L Nod Blan	35ft	Oil/gas	Good porosity	10-40,000 bbls oil / .35-1.3 BCF gas

Tamaska has earned its 10.2% working interest in the prospect and well through paying its 14% share of drilling and completions costs to date (~US\$525,000). There will be additional costs to Tamaska to install long term production facilities. The Operator is currently working on gaining pipeline route approval and the facilities design.

Duvernay Shale and Rock Creek Update

On 5 March 2013 the Company announced it had executed a Term Sheet with Canadian Pan Ocean Limited ("CPO") to sell its Alberta Joint Venture ("AJV") petroleum interests in the Duvernay Shale (TMK: 8% direct interest) and Rock Creek oil acreage (TMK: 16% direct interest) for cash consideration of approximately A\$3.6m before tax. Completion is conditional on the execution of a formal sale and purchase agreement, due diligence and financing agreements.

Under the broader deal, CPO are also farming into Mako Hydrocarbons Ltd's (ASX: MKO) 50% holding in the same properties. CPO will become the Operator, with the ability to earn a total working interest of up to 87.5% in the AJV properties. Further detailed information on the farm-in terms is available in the MKO market releases to the ASX or their website.

As of 31 July CPO has still not paid the deposit or signed the SPA. Mako and CPO have confirmed that they are making significant progress with their documentation and financing. Despite these further delays, Tamaska continue to support Mako and CPO to finalise their arrangements.

New Project Opportunities

The Company is continuing to review conventional and unconventional oil and gas asset acquisition or investment opportunities.

Cash Position at 30 June 2013

The Company had a closing cash balance of \$219,628 at 30 June 2013. During the quarter a \$200,000 loan was secured on commercial terms from major shareholders to cover working capital requirements until the Duvernay sale completes or a capital raising is undertaken.

Director Fees

Since the hiring of CEO Alexander Parks in February, the Board has restructured management and executive duties. Consequently during the quarter the company reduced the executive time and Director fees paid to Charles Morgan (Chairman) and Brett Mitchell (Executive Director).

For and on behalf of the Board

Appendix 5B

Mining exploration entity quarterly report

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

Name of entity

Tamaska Oil & Gas Ltd

ABN

66 127 735 442

Quarter ended ("current quarter")

30 June 2013

Consolidated statement of cash flows

		Current quarter	Year to date (12 months)
		\$A'000	\$A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	73	73
1.2	Payments for (a) exploration & evaluation	(93)	(1,067)
	(b) development	-	-
	(c) production	(29)	(29)
	(d) administration	(44)	(522)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	-	4
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	(65)	(65)
1.7	Other – Royalty Payout on Acreage Sold	-	(27)
Net Operating Cash Flows		(158)	(1,632)
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	-	177
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loan repayment to other entities	-	-
1.11	Proceeds from loans	-	-
1.12	Other (net on disposal of subsidiaries)	-	-
Net investing cash flows		-	177
1.13	Total operating and investing cash flows (carried forward)	(158)	(1,455)

1.13	Total operating and investing cash flows (brought forward)	(158)	(1,455)
	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	200	200
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (over subs & capital raising expenses)	-	-
	Net financing cash flows	200	200
	Net increase (decrease) in cash held	42	(1,255)
1.20	Cash at beginning of quarter/year	203	1,485
1.21	Exchange rate adjustments to item 1.20	(26)	(11)
1.22	Cash at end of quarter	219	219

Payments to directors of the entity and associates of the directors

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

	Current quarter \$A'000
1.23 Aggregate amount of payments to the parties included in item 1.2	-
1.24 Aggregate amount of loans to the parties included in item 1.10	-
1.25 Explanation necessary for an understanding of the transactions	-

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
- None
- 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
- None

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	200	200
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	110
4.2 Development	-
4.3 Production	-
4.4 Administration	150
Total	260

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	219	203
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)-held on trust	-	-
Total: cash at end of quarter (item 1.22)	219	203

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	None			
6.2 Interests in mining tenements acquired or increased	None			

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	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference securities <i>(description)</i>	14,000	Unquoted Class D		
7.2	Changes during quarter (a) Increases through issues (b) Decreases-capital returns, buy-backs or redemptions				
7.3	*Ordinary securities	6,396,006,280	6,396,006,280		Fully paid
7.4	Changes during quarter (a) Increases-through issues (b) Decreases-capital returns or buy-backs				
7.5	*Convertible debt securities <i>(description)</i>				
7.6	Changes during quarter (a) Increases through issues (b) Decreases-maturing or conversion of securities				
7.7	Options <i>(description and conversion factor)</i>	3,260,000,000	3,260,000,000	<i>Exercise price</i> 0.5 cents	<i>Expiry date</i> 17 August 2015
7.8	Issued during quarter				
7.9	Exercised during quarter				
7.10	Expired during quarter				
7.11	Debentures <i>(totals only)</i>				
7.12	Unsecured notes <i>(totals only)</i>				

+ 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 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here:

Date: 31 July 2013

(Executive Director)

Print name: Brett Mitchell

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 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, 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 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting 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.

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