

Andrew Kabega
Adviser
ASX Compliance Pty Limited
20 Bridge Street
Sydney NSW 2000

By email: Andrew.Kabega@asx.com.au

FREMONT PETROLEUM CORPORATION LIMITED – APPENDIX 5B QUERY

Fremont Petroleum Corporation Limited ACN 114 198 471 (**Company**) provides the following information in response to your query dated 13 November 2017 regarding the Appendix 5B for the period ended 31 October 2017.

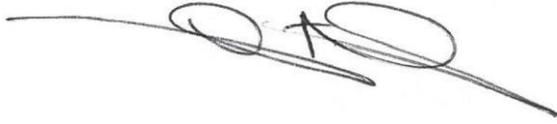
1. Yes, the Company expects to continue to have negative cash flows for the next quarter. The Company is actively engaged in a drilling program that it designed to bring the Company to a cash flow positive program within the next 12 months.
2. Yes, the Company proposes to take steps to raise further cash to fund its operations as and when deemed necessary by the board. The board reviews its cash position along with its expenditure commitments and funding requirements on an ongoing basis. The Company has a long-standing relationship with capital providers in Australia who can raise capital to fund ongoing operations of the Company. Based on this relationship and the ongoing support of the Company's shareholders, the Company is confident that when additional funding is required the Company will be successful in raising further capital.
3. Yes, the Company expects to be able to continue operations to meet its business objectives on the basis that the Company is earning approximately \$45,000 to \$60,000 per month in revenue from oil sales and, as and when necessary, it will successfully raise further cash to fund its operations.

In addition, the September 30, 2017 5B reports estimated quarterly cash flows of AUD\$840,000. Approximately, AUD\$500,000 of this was for one additional well to be drilled. The Company is focused on remediation operations on the Bird #13-18 well and as such does not intend to drill any additional wells this quarter, thus removing this planned expenditure.

4. The Company considers it continues to comply with Listing Rule 12.2 and is confident that the Company's financial position warrants continued quotation of its securities on the ASX.
5. The Company can confirm that it is in compliance with Listing Rule 3.1 and that there is no information about its financial condition that should be given to the ASX in accordance with that Rule that has not already been released to the market. However, the Company is regularly negotiating material transactions that may, if executed, require disclosure under Listing Rule 3.1. Until such time as these transactions are complete and no longer confidential, the Company relies on Listing Rule 3.1A in order to not make any disclosure to ASX.

6. The Company confirms that the responses to the questions above have been authorised and approved by its board.

Yours faithfully,



Guy Goudy
Executive Chairman

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13 November 2017

Mr Robert Lees
Company Secretary
Fremont Petroleum Corporation Limited
Level 3, Suite 302 17 Castlereagh Street
Sydney NSW 2000

By email: robert@coysec.com.au

Dear Mr Lees,

Fremont Petroleum Corporation Limited ("Fremont"): Appendix 5B Query

I refer to Fremont's Appendix 5B quarterly report for the period ended 30 September 2017 lodged with ASX Market Announcements Platform on 31 October 2017 (the "Appendix 5B").

ASX notes that Fremont has reported:

- negative net operating cash flows for the quarter of \$1,142,000;
- cash at the end of the quarter of \$595,000; and
- estimated cash outflows for the next quarter of \$840,000.

It is possible to conclude, based on the information in the Appendix 5B that if Fremont were to continue to expend cash at the rate indicated by the Appendix 5B, Fremont may not have sufficient cash to continue funding its operations. In view of that, ASX asks Fremont to respond separately to each of the following questions and requests for information:

1. Does Fremont expect that it will continue to have negative operating cash flows for the time being and, if not, why not?
2. Has Fremont taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?
3. Does Fremont expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
4. Please provide any other information that Fremont considers may be relevant to ASX forming an opinion on whether Fremont is in compliance with Listing Rule 12.2 (a listed entity's financial condition must, in ASX's opinion, be adequate to warrant the continued quotation of its securities and its continued listing).
5. Please confirm that Fremont is in compliance with Listing Rule 3.1 and that there is no information about its financial condition that should be given to ASX in accordance with that Rule that has not already been released to the market.

6. Please confirm that Fremont's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of Fremont with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under, and in accordance with Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by not later than 4:00pm AEDT on Monday, 20 November 2017. If we do not have your response by then, ASX will have no choice but to consider suspending trading in Fremont's securities under Listing Rule 17.3.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, Fremont's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail at andrew.kabega@asx.com.au. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Listing Rule 3.1

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. Exceptions to this requirement are set out in Listing Rule 3.1A.

In responding to this letter, you should have regard to Fremont's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

It should be noted that Fremont's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Trading halt

If you are unable to respond to this letter by the time specified above, you should discuss with us whether it is appropriate to request a trading halt in Fremont's securities under Listing Rule 17.1.

If you wish to request a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We may require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.



You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely,

[sent electronically without signature]

Andrew Kabega
Senior Adviser, Listings Compliance (Sydney)

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